GMR Highways

GMR Pochanpalli Expressways Limited

Corporate Office:
T&UI Office, Terminal-2, Opp. Departure Gate No. 1, IGI Airport, New Delhi-110037
CIN U45200KA2005PLC049327
T +91 011 40052455
F +91 011 40052482
E- highways.secretarial@gmrgroup.in
W www.gmrpui.com

Date: July 25, 2025

To
National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai 400 051, India

Dear Sir/Madam,

Sub: Submission of Annual Report and Notice of Annual General Meeting of the Company pursuant to Regulation 53(2) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Pursuant to Regulation 53(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we hereby submit the Annual Report and Notice of Annual General Meeting of GMR Pochanpalli Expressways Limited ('the Company') for the year ended March 31, 2025.

Request you to please take the same on record.

Thanking you

For GMR Pochanpalli Expressways Limited

Paramjeet Singh

Paramjeet Singh
Company Secretary

CC : Chief Operating Officer & Compliance Officer
The Debenture Trustee - Axis Trustee Services Limited
The Ruby, 2nd Floor, SW, 29, Senapati Bapat Marg,
Dadar West, Mumbai- 400 028

GMR POCHANPALLI EXPRESSWAYS LIMITED
CIN No. U45200KA2005PLC049327
Registered Office: 25/1, SKIP House, Museum Road, Bengaluru–560 025, Karnataka,
Corporate office: GMR T&UI office, Terminal-2, Opp. Departure Gate No.1, IGI Airport, New Delhi-110037, Tel: 011 40052455
E-mail: highways.secretarial@gmrgroup.in, Website: www.gmrpui.com

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Notice of
20th Annual General Meeting

Day, Date & Time

Monday, the 18th day of August, 2025

At

4:00 P.M

Venue

Transportation Business Board Room,
GMR T&UI Office, Terminal-2, Opp. Departure Gate No. 1,
IGI Airport, New Delhi–110037

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 20th (twentieth) Annual General Meeting ("AGM") of the Members of **GMR Pochanpalli Expressways Limited** will be held on Monday**, the 18th day of August 2025** at 04.00 PM at Transportation Business Board Room, GMR T&UI Office, Terminal-2, Opp. Departure Gate No. 1, IGI Airport, New Delhi – 110037, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company together with the report of Board of Directors and Auditors' Report thereon for the Financial Year ended March 31, 2025.

2. To appoint Director in place of Mrs. Ramadevi Bommidala, Director (DIN-00575031), who is liable to retire by rotation and, being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. **To ratify the remuneration of M/s. G. R. & Co., Cost Auditor of the Company for the Financial Year 2025-26.**

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 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 ₹ 65,000/- (Indian Rupees Sixty Five Thousand Only) plus applicable taxes and out of pocket expenses as may be incurred, payable to M/s. G. R. & Co., Cost Accountants (Firm Registration No: 101504), as appointed by the Board of Directors as Cost Auditors of the Company to conduct the audit of cost records of the Company for the financial year 2025-26.

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. **Appointment of Mr. Ramkrishnan Ramamurthy (DIN-00680202) as Independent Director of the Company.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Ramkrishnan Ramamurthy (DIN-00680202), who was appointed as an Additional Independent Director of the Company and has submitted a declaration confirming that he meets the criteria of independence under Section 149(6) of the Act 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 appointed as an Independent Director of the Company, to hold office for a term of five years, with effect from December 24, 2024 and whose office shall not be liable to retire by rotation.

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

5. **Appointment of Mr. Upendra Kumar as Manager of the Company.**

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 Sections 179, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications(s) or re-enactment thereof) read with Rules made thereunder and other applicable provisions of the Companies Act, 2013, if any, the consent of the members of Company be and is hereby accorded to the appointment of Mr. Upendra Kumar as 'Manager' of the Company for a period of 3 (three) years with effect from 1st May, 2025 on the following terms:

a. Remuneration not exceeding ₹53,82,419/- (Rupees Fifty-Three Lakh Eighty Two Thousand Four Hundred Nineteen Only) p.a. inclusive of all perquisites and facilities with an annual increment as per HR Policy of the Company and with the authority to the Board to fix the salary within the said maximum amount from time to time.

b. the following shall not be included for the purpose of computation of the Manager's gross remuneration as aforesaid:

    i. The Company's contribution to Provident Fund and Superannuation Fund pursuant to the HR policy of the Company.
    ii. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
    iii. Encashment of leave at the end of tenure or the time of ceasing to be Manager pursuant to the HR policy of the Company."

RESOLVED FURTHER THAT all other terms and conditions including annual increment, earned/ privilege leave shall be as per the HR Policy of the Company and contribution to Provident Fund, Superannuation fund or Annuity Fund, Gratuity, etc. shall be in terms of applicable provisions of the relevant statues.

RESOLVED FURTHER THAT Mr. Upendra Kumar shall be responsible, inter-alia, to discharge his duties as may be assigned by the Board from time to time and to manage the day to day affairs and general management of the Company subject to superintendence and control of the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all the actions and to do all such acts, deeds and things including filing of requisite Forms, returns, applications with the Ministry of Corporate Affairs, Government of India as may be necessary to give effect to the resolution."

6. **Re-Appointment of Mrs. Ramadevi Bommidala (DIN 00575031), as Whole Time Director of the Company.**

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

"**RESOLVED THAT** pursuant to the provisions of Section of 196 and 197 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013, consent of the members be and is hereby accorded for the re-appointment of Mrs. Ramadevi Bommidala (DIN 00575031), as Whole Time Director of the Company, for a period of 2 (two) years with effect from August 01, 2025, liable to retire by rotation, on such remuneration and upon such terms and conditions as set out below, with an authority to the Board of Directors to alter and vary terms of appointment and remuneration, during the continuance of her tenure from time to time, so as the remuneration and other terms remain compliant to the terms as specified in Schedule V to the Companies Act, 2013:

Remuneration:

a. Gross Remuneration: ₹1,17,80,000/- (Rupees One Crore Seventeen Lakh Eighty Thousand Only) per annum inclusive of all perquisites and facilities with an annual increment of 10% of the gross remuneration.

b. In addition to gross monthly remuneration as above, the Company will reimburse Mrs. Ramadevi Bommidala, travelling and other expenses incurred by her in furtherance of or in connection with the business of the Company.

c. The following shall not be included for the purpose of computation of the Whole-time Director's gross remuneration as aforesaid:

i. The Company's contribution to Provident Fund and Superannuation Fund pursuant to the HR policy of the Company.
ii. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
iii. Encashment of leave at the end of tenure or the time of ceasing to be Whole-time Director pursuant to the HR policy of the Company."

RESOLVED FURTHER THAT all other terms and conditions including annual increment, earned/privilege leave shall be as per the prevalent HR Policy of the Company and contribution to Provident Fund, Superannuation fund or Annuity Fund, Gratuity, etc. shall be in terms of applicable provisions of the relevant statues.

RESOLVED FURTHER THAT Mrs. Ramadevi Bommidala shall be responsible, inter-alia, to discharge her duties as may be assigned by the Board from time to time and to manage the day to day affairs and general management of the company subject to superintendence and control of the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all such actions and to do all acts, deeds and things including filing of requisite forms, returns, applications with the Ministry of Corporate Affairs, Government of India as may be necessary to give effect to the resolution."

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

GMR Pochanapalli Expressways Limited

Paramjeet Singh
Company Secretary
M. No. A18789
GMR T&UI Office, Terminal-2 Opp. Departure Gate No.-1, IGI Airport, New Delhi-110037

Place: New Delhi
Date: 19/07/2025

NOTES:

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

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

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

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

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

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

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

8. In terms of Section 20 of the Companies Act, 2013, the Notice is being sent to all the Members on the electronic mail address as provided by the Registrar or the Member from time to time for sending communications 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 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/ledger folio number as reference.

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

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/corporate 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 M/s. G. R. & Co., Cost Accountant of the Company for the financial year 2025-26.

M/s. G.R & Co., Practicing Cost Accountants, is carrying out the Cost Audit of the Company since the Financial Year 2014-15. The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. G. R. & Co., Cost Accountant to conduct the audit of the cost records of the Company for the financial year 2025-26 at remuneration as detailed in the resolution.

In accordance with the provisions of Section 148(3) of the Act read with the Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs 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 2025-26.

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 Item No. 3 for approval of the members by an **Ordinary Resolution**.

Item No 4

Appointment of Mr. Ramkrishnan Ramamurthy (DIN-00680202) as Independent Director of the Company

Mr. Mohan Rao M was appointed as an Independent Director of the Company for the second term of 5 years with effect from September 01, 2022 and he has resigned with effect from conclusion of the Board Meeting held on October 17, 2024. Hence, another Independent Director need to be appointed on the Board to fill the intermittent vacancy and to meet the statutory requirement as prescribed under the provisions of Companies Act, 2013.

Further in order to meet the statutory requirement of two Independent Directors on the Board of the Company, the Board of the Directors on the recommendation of the Nomination and Remuneration Committee had appointed Mr. Ramakrishnan Ramamurthy (DIN 00680202), as an Additional Independent Director w.e.f. December 24, 2024 and pursuant to the requirements of the Act, it is being proposed to seek approval of the members for the above appointment of Mr. Ramakrishnan Ramamurthy (DIN 00680202), as an Independent Director for a term of five years commencing from December 24, 2024. Further, Mr. Ramakrishnan Ramamurthy (DIN 00680202) shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

"Brief profile of Mr. Ramakrishnan Ramamurthy:

Mr. Ramakrishnan Ramamurthy holds a degree in Commerce & Post-Graduation in Business Management from Bangalore University, Diploma in Mechanical Engineering, Post-Graduate in Business Management and a Certified Family Business adviser through FFI – Boston. Post Graduate Diploma - Non-Executive Independent Director course with Financial Times –London.

He has over 54 years of Industry/Corporate experience and working with some of the best Family businesses -Murugappa group, Amalgamations, Sanmar, Mythra and also with GMR group. He has also Exposure & experience in Auto sector, Industrial capital and consumer goods, Industrial valves, Renewable energy, Infrastructure - Airport, Energy and Urban infrastructure, Geospatial segment.

He started his career with Bosch India (9 years) then with Murugappa Group (20 years) and with Sanmar Group (Industrial valves) for 5 years.

He joined GMR Group as MD for Agri business and built the business and divested the same to get the promoters a good value in the year 2010. He started the renewable energy business for GMR and completed few projects from 2014. He took the role with Group Chairman office and worked with him at the group and the family level. Then after he moved to Geokno (JV of GMR) as MD in the month of November 2019. He retired from the corporate world in the end of the month December, 2022 and continue to be active on Leadership Development, Coaching, Family business, advising on family & business side.

Currently he is engaged as a Principal Advisor in GMR Group for Family-owned companies and working with the 3rd Generation family members.

He has also worked as part of the Advisory committee for APSSDC – Skill development in Structuring the State Skilling program.

He has worked with BITS – Hyderabad on curriculum review of post-graduation course on Manufacturing Technology and rolled out a new course design.

He was former Non-Executive Chairman of the Board of Heidelberg Cement India (German MNC) a listed Company in India- and part of all Board committees.

Currently, he is working with Education institutions – Kumaran's- Bangalore, Padma Seshadri- Chennai and Lakshmi Vidhya Sangham (TVS group) in training Teachers / Vice-Principles and Principles and also, with Colleges in Andhra Pradesh (AP)."

Mr. Ramakrishnan Ramamurthy (DIN 00680202) 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. Ramakrishnan Ramamurthy fulfils the conditions specified in the Act, for his 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. Ramakrishnan Ramamurthy for his appointment to the office of Independent Director.

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

Mr. Ramakrishnan Ramamurthy 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. Ramakrishnan Ramamurthy and his relatives, 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 Item No. 4 for approval of the members by way of an Ordinary Resolution.

Item No. 5

Approval for the appointment of Mr. Upendra Kumara as Manager of the Company.

Section 196 (4) of the Companies Act, 2013 provides that Subject to the provisions of Section 197 and Schedule V, a managing director, whole-time director or manager shall be appointed and the terms and conditions of such appointment and remuneration payable be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in Part I of that Schedule.

Further, Section 179 (3) of the Companies Act 2013 read with rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014, which states that the Board of Directors of a company shall exercise the powers, to appoint or remove key managerial personnel (KMP), on behalf of the company by means of resolutions passed at meetings of the Board.

Further, in terms of provisions of Section 203 of the Companies Act, 2013 & the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014, every listed company and every other public company having a paid-up share capital of ten crore rupees or more shall have the following whole-time key managerial personnel-

(i) Managing Director; or Chief Executive Officer or **Manager** and in their absence, a whole-time Director
(ii) Company Secretary; and
(iii) Chief Financial Officer

Also, no person shall be appointed as manager for a term exceeding five years at a time.

Further pursuant to the provision contained in Part II of Schedule V, remuneration payable to managing director, whole-time director or manager shall be approved at the general meeting of the company for a period not exceeding three years.

Further as prescribed in para 1 of Part III of Schedule-V of the Companies Act, 2013, the appointment and remuneration referred to in Part I and Part II of Schedule-V shall be subject to approval by a resolution of the shareholders in general meeting, hence, for the proposed appointment, the approval of members of the Company is required by way of an Ordinary Resolution.

Mr. Jannela Venkata Ramana was appointed as Manager of the Company w.e.f. 1st December, 2024 for a period of 3 years. He has submitted his resignation from the position of Manager of the Company, w.e.f. 22nd February, 2025 due to personal reasons. Hence, it is required to appoint a Manager in compliance with the applicable provisions of the Companies Act, 2013.

As per the recommendations of the Nomination and Remuneration Committee, the Board, at its meeting held on April 21, 2025, had appointed Mr. Upendra Kumar as Manager of the Company for a term of three years with effect from 1st May, 2025, subject to the approval of Shareholders on the following terms & conditions:

a. Remuneration not exceeding ₹53,82,419/- (Rupees Fifty-Three Lakhs Eighty-Two Thousand Four Hundred Nineteen Only) p.a inclusive of all perquisites and facilities with an annual increment as per HR Policy of the Company and with the authority to the Board to fix the salary within the said maximum amount from time to time.

b. the following shall not be included for the purpose of computation of the Manager's gross remuneration as aforesaid:

    i. The Company's contribution to Provident Fund and Superannuation Fund pursuant to the HR policy of the Company.

ii. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
iii. Encashment of leave at the end of tenure or the time of ceasing to be Manager pursuant to the HR policy of the Company

Brief Profile of Mr. Upendra Kumar

Mr. Upendra Kumar is a B.E (CIVIL) from Bangalore University, Bangalore. He possesses over 21 years of professional experience in the Construction of Interchanges, Bridges, ROBs, Flyovers with deep & shallow foundations like cast-in-situ pile foundation, and open foundation with superstructure likw RCC, PSC I Glders and Box girders with RCC Deck slab, Composite Steel Glder with RCC Deck slab and approach roads with Retaining structure like Retaining wall, Reinforced with wall and Gabion wall. Before joining us on September 01, 2015, he has extensive experience in the infrastructure industry and worked with various reputed Indian and multi-national infrastructure companies including L&T Limited, Soma Enterprises Limited, Hindustan Construction Co Ltd, RBM-PATI (JV) a Malaysian Company, etc.

Further, the Net Profit, as at 31 March, 2025, of the Company, calculated as per Section 198 of the Companies Act, 2013, is ₹(22,99,634)/- which indicates inadequacy of profit/net loss.

As per Schedule V of the Companies Act, 2013, the effective capital of the Company (absolute numbers) is calculated as follows:

Particulars	Amount (in ₹)
Paid-up share capital (excluding share application money or advances against shares); amount, if any, for the time being standing to the credit of share premium account	1,38,00,00,000
Reserves and Surplus (excluding revaluation reserve)	1,65,60,20,506
Long-term loans and deposits repayable after one year (excluding working capital loans, over drafts, interest due on loans unless funded, bank guarantee, etc., and other short-term arrangements)	87,74,34,163
TOTAL (A)	**3,91,34,54,669**
Any investments (except in case of investment by an investment company whose principal business is acquisition of shares, stock, debentures or other securities)	0
Accumulated losses and preliminary expenses not written off	0
TOTAL (B)	**0**
Effective Capital (A-B)	**3,91,34,54,669**

The Effective Capital of the Company is ₹391.34 crores. Accordingly, as per Schedule V of the Companies Act, 2013, since the effective capital of the Company is more than ₹250 crores, the Company can pay a maximum remuneration in a year of ₹120 lakhs plus 0.01% of the effective capital in excess of ₹250 crores by obtaining the approval of members of the Company by way of ordinary resolution

In terms of Section 196(4) and Schedule V of the Companies Act, 2013 read with rules made there under, it is proposed to obtain the approval of Shareholders for appointment including terms and conditions, of Mr. Upendra Kumar as Manager of the Company with effect from 1st May, 2025.

Hence, for the proposed appointment, the approval of members of the Company is required by way of an ordinary resolution.

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

Except Mr. Upendra Kumar and his relatives, 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 resolution as mentioned in Item No 3 for the approval of the members by way of an **Ordinary Resolution**.

<u>Item No. 6</u>

Re-Appointment of Mrs. Ramadevi Bommidala (DIN 00575031), as Whole Time Director of the Company.

The provisions as contained under Section 196(3) of the Companies Act, 2013, states that no company shall appoint or **continue** the employment of any person as managing director, **whole-time director** or manager who —

(a) is below the age of twenty-one years or has attained the age of seventy years:

Provided that appointment of a person in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

(b) is an undischarged insolvent or has at any time been adjudged as an insolvent;

(c) has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them; or

(d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

Further, Section 196(4) of the Companies Act, 2013 states that subject to the provisions of section 197 and Schedule V, a managing director, **whole-time director** or manager shall be appointed and the terms and conditions of such appointment and remuneration payable be approved by the Board of Directors at a meeting which shall be **subject to approval by a resolution at the next general meeting of the company** and by the Central Government in case such appointment is at variance to the conditions Specified in Part I of that Schedule.

Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a director or directors in such appointments, if any:

As per Section 197 (1) of the Companies Act, 2013 the total managerial remuneration payable by a public company, to its directors, including managing director and whole-time director, and its manager in respect of any financial year shall not exceed eleven per cent. of the net profits of that company for that financial year computed in the manner laid down in section 198 except that the remuneration of the directors shall not be deducted from the gross profits:

Provided that the company in general meeting may, authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V:

Provided further that, except with the approval of the company in general meeting, by a special resolution—

(i) the remuneration payable to any one managing director; or whole-time director or manager shall not exceed five per cent. of the net profits of the company and if there is more than one such director remuneration shall not exceed ten per cent. of the net profits to all such directors and manager taken together;

(ii) the remuneration payable to directors who are neither managing directors nor whole-time directors shall not exceed,—
(A) one per cent. of the net profits of the company, if there is a managing or whole-time director or manager;
(B) three per cent. of the net profits in any other case.

Provided also that, where the company has defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the company before obtaining the approval in the general meeting.

Further, Section 197(3) of the Companies Act, 2013 states that notwithstanding anything contained in sub-sections (1) and (2), but subject to the provisions of Schedule V, if, in any financial year, **a company has no profits or its profits are inadequate**, the company shall not pay to its directors, including any managing or wholetime director or manager, by way of remuneration any sum exclusive of any fees payable to directors under sub-section (5) hereunder **except in accordance with the provisions of Schedule V.**

Remuneration to Directors including Managing or Whole-Time Director or a Manager as provided in Section II of Part-II of Schedule V of the Companies Act, 2013 may be paid as follows:

Sl. No	**Where the effective capital (in rupees) is**	**Limit of yearly remuneration payable shall not exceed (in Rupees) in case of a managerial person**	**Limit of yearly remuneration payable shall not exceed (in rupees) in case of other director**
i	Negative or less than 5 crores.	60 lakhs	12 Lakhs
ii	5 crores and above but less than 100 crores.	84 lakhs	17 Lakhs
iii	100 crores and above but less than 250 crores.	120 lakhs	24 Lakhs
iv	250 crores and above.	**120 lakhs plus 0.01% of the effective capital in excess of ₹250 crores:**	24 Lakhs plus 0.01% of the effective capital in excess of ₹250 crores:

Provided that the remuneration in excess of the above Limits may be paid if the resolution passed by the shareholders is a special resolution.

Provided further that the limits specified in Schedule V as above shall apply, if the payment of remuneration is approved by a resolution passed by the Board and, in that case of a company covered under sub-section (1) of section 178 also by the Nomination and Remuneration Committee;

Background / Facts:

Mrs. Ramadevi Bommidala was appointed as Whole-time Director w.e.f August 01, 2022 for a period of 3 years. Therefore, the tenure of Mrs. Ramadevi Bommidala as Whole-time Director is concluding on July 31, 2025. Hence, it is being proposed to re-appoint Mrs. Ramadevi Bommidala, as Whole Time Director pursuant to the provisions of Section 178, 196 and 197 of the Companies Act, 2013, for a period of 2 years w.e.f. August 1, 2025 on the following terms and conditions:

a. Gross Remuneration: ₹1,17,80,000/- (Rupees One Crore Seventeen Lakh Eighty Thousand Only) per annum inclusive of all perquisites and facilities with an annual increment of 10% of the gross remuneration.

b. In addition to gross monthly remuneration as above, the Company will reimburse Mrs. Ramadevi Bommidala, travelling and other expenses incurred by her in furtherance of or in connection with the business of the Company.

c. The following shall not be included for the purpose of computation of the Whole time Director's gross remuneration as aforesaid:
   i. The Company's contribution to Provident Fund and Superannuation Fund pursuant to the HR policy of the Company.
   ii. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
   iii. Encashment of leave at the end of tenure or the time of ceasing to be Whole-time Director pursuant to the HR policy of the Company.

Brief Profile of Mrs. Ramadevi Bommidala

Mrs. Ramadevi Bommidala, age about 52 years, is a graduate in B.Sc. Home Science from Andhra University, Visakhapatnam.

Mrs. Ramadevi Bommidala was on the Board of various GMR Group Companies. Between 1998 and 2004, she was the Director – Administration in GMR Generation Assets Limited (Formerly GMR Renewable Energy Limited).

In June 2004, Mrs. Ramadevi Bommidala was inducted as Director in GMR Varalakshmi Foundation. GMR Varalakshmi Foundation is GMR Group's non-profit arm working for society in the field of Corporate Social Responsibility. The foundation is actively engaged in the areas of Education, Health, Hygiene & Sanitation, Community Development and Empowerment. Mrs. Bommidala is also a Director in Parampara Family Business Institute (PFBI) since November 2014. PFBI is a non-profit Company which serves as an educational, engagement and research platform for business families to enable them to sustain, grow and perpetuate their family businesses through generations.

Mrs. Ramadevi Bommidala was also served as Director of GMR Airport Developers Limited and GMR Energy Trading Limited.

Mrs. Ramadevi Bommidala possesses strong leadership and entrepreneur skills and has rich and vast experience in the areas of Business management and Administration and has played pivotal role in the areas of business planning and development, strengthening of governance practices, setting up and monitoring of policies and procedures, etc.

Having regard to her enriched & vast experience and knowledge, and her immense contribution in the running businesses, Mrs. Ramadevi Bommidala will play a crucial role in the growth of the Company. It is hence, being proposed to reappoint Mrs. Ramadevi Bommidala, as "Whole Time Director" pursuant to the provisions of Section 196 and 197 of the Companies Act, 2013, for a period of 2 years w.e.f. August 01, 2025 as per the Nomination & Remuneration Policy of the Company.

Since, the Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013 except that the remuneration of the Directors shall not be deducted from the gross profits is ₹(22,99,634/-) i.e. inadequate profit. Hence, it is required to obtain the approval of members of the Company in accordance with the Schedule V of the Companies Act, 2013 by way of ordinary resolution.

As per Schedule V of the Companies Act, 2013, the effective capital of the Company based on the audited Financial Statement as at 31.03.2025, as per INDAS (Absolute Value) is calculated as follows:

Particulars	Amount (in ₹)
Paid-up share capital (excluding share application money or advances against shares); amount, if any, for the time being standing to the credit of share premium account	1,38,00,00,000
Reserves and Surplus (excluding revaluation reserve)	1,65,60,20,506
Long-term loans and deposits repayable after one year (excluding working capital loans, over drafts, interest due on loans unless funded, bank guarantee, etc., and other short-term arrangements)	87,74,34,163
TOTAL (A)	**3,91,34,54,669**
Any investments (except in case of investment by an investment company whose principal business is acquisition of shares, stock, debentures or other securities)	-
Accumulated losses and preliminary expenses not written off	-
TOTAL (B)	**3,91,34,54,669**
Effective Capital (A-B)	**3,91,34,54,669**

The Effective capital of the Company is ₹391 crore (approx) and as per Schedule V of the Companies Act, 2013, where the effective capital of the Company is ₹250 crores and above, the Company can pay a maximum remuneration in a year of ₹120 lakhs plus 0.01% of the effective capital in excess of ₹250 crores by obtaining the approval of members of the Company by way of ordinary resolution.

Hence, for the proposed appointment and payment of remuneration alongwith annual increments which may be in excess of the above Limits during her tenure, the approval of members of the Company is required by way of special resolution.

Accordingly, for the proposed appointment and payment of remuneration in excess of the above limit, the approval of members of the Company is required by way of special resolution.

The appointment is in compliance of Section 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications(s) or re-enactment thereof).

Statement as per Schedule V of the Companies Act, 2013

I. General information:

(1) Nature of industry: Infrastructure

(2) Date or expected date of commencement of commercial production/Operation: 26.03.2009

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A.

(4) Financial performance based on given indicators:

(₹ in Lakh)

Particulars	**31.03.2025**
Gross Income	10,955.31
Less: Expenditure	5,229.99
Earnings before depreciation, Finance Cost and tax	**5,725.32**
Less: Depreciation & amortization expense	120.34
Profit before Interest and Finance Cost	**5,604.98**
Less: Finance costs	4,697.58
Profit/ (Loss) before Tax	**907.40**
Less: Current Tax	339.65
Profit/ (Loss) after Tax	**567.75**
Other Comprehensive Income Re-measurement gains (losses) on defined benefit plans	0.74
Income Tax effect	-
Total Comprehensive income for the year	**568.49**

(5) Foreign investments or collaborations, if any: N.A.

II. Information about the appointee:

(1) Background details

Mrs. Ramadevi Bommidala, age about 52 years, is a graduate in B.Sc. Home Science from Andhra University, Visakhapatnam.

Mrs. Ramadevi Bommidala was on the Board of various GMR Group Companies. Between 1998 and 2004, she was the Director – Administration in GMR Generation Assets Limited (Formerly GMR Renewable Energy Limited).

In June 2004, Mrs. Ramadevi Bommidala was inducted as Director in GMR Varalakshmi Foundation. GMR Varalakshmi Foundation is GMR Group's non-profit arm working for society in the field of Corporate Social Responsibility. The foundation is actively engaged in the areas of Education, Health, Hygiene & Sanitation, Community Development and Empowerment. Mrs. Bommidala is also a Director in Parampara Family Business Institute (PFBI) since November 2014. PFBI is a non-profit Company which serves as an educational, engagement and research platform for business families to enable them to sustain, grow and perpetuate their family businesses through generations.

Mrs. Ramadevi Bommidala was also served as Director of GMR Airport Developers Limited and GMR Energy Trading Limited.

Mrs. Ramadevi Bommidala possesses strong leadership and entrepreneur skills and has rich and vast experience in the areas of Business management and Administration and has played pivotal role in the areas of business planning and development, strengthening of governance practices, setting up and monitoring of policies and procedures, etc.

(2) **Past remuneration**:

a. Gross Remuneration: Rs. 1,07,08,500/- (Rupees One Crore Seven Lakhs Eight Thousand Five Hundred only) per annum inclusive of all perquisites and facilities with an annual increment of 10% of the gross remuneration.

b. In addition to gross monthly remuneration as above, the Company will reimburse Mrs. Ramadevi Bommidala, travelling and other expenses incurred by her in furtherance of or in connection with the business of the Company.

c. The following shall not be included for the purpose of computation of the Whole time Director's gross remuneration as aforesaid:

   i. The Company's contribution to Provident Fund and Superannuation Fund pursuant to the HR policy of the Company.
   ii. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
   iii. Encashment of leave at the end of tenure or the time of ceasing to be Whole-time Director pursuant to the HR policy of the Company.

(3) **Recognition or awards** – NA

(4) **Job profile and his suitability-**

Job Profile- To provide superintendence, control and direction to the affairs of the company.

Suitability- Having regard to her enriched & vast experience and knowledge and her immense contribution in the running businesses Mrs. Ramadevi Bommidala played a crucial role in efficiently running the operations of the Company. Hence, it is proposed to approve the re-appointment of Mrs. Ramadevi Bommidala, as "Whole Time Director" pursuant to the provisions of Section 196, 197 read with schedule V of the Companies Act, 2013, for a period of 2 years w.e.f August 01, 2025.

(5) Remuneration proposed

a. Gross Remuneration: ₹1,17,80,000/- (Rupees One Crore Seventeen Lakh Eighty Thousand Only) per annum inclusive of all perquisites and facilities with an annual increment of 10% of the gross remuneration.

b. In addition to gross monthly remuneration as above, the Company will reimburse Mrs. Ramadevi Bommidala, travelling and other expenses incurred by her in furtherance of or in connection with the business of the Company.

c. The following shall not be included for the purpose of computation of the Whole time Director's gross remuneration as aforesaid:

   i. The Company's contribution to Provident Fund and Superannuation Fund pursuant to the HR policy of the Company.
   ii. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
   iii. Encashment of leave at the end of tenure or the time of ceasing to be Whole-time Director pursuant to the HR policy of the Company.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The remuneration proposed to be paid to Mrs. Ramadevi Bommidala as Whole Time Director is commensurate with her ability and experience and:

- ➢ Relationship of remuneration to expected performance is clear and meets appropriate performance benchmarks and is subject to periodic appraisal as per the Group HR policy; and
- ➢ The proposed remuneration reflects short and long-term performance objectives appropriate to the working of the company and its goals.

(7) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any**. - NIL

III. Other information:

(1) **Reasons of loss or inadequate profits** -
During the year ended March 31, 2025, the Company made profit of ₹ 568.49 Lakh as compared to a loss of ₹ 61.35 Lakh during the previous year. Profit during the Financial Year 2024-25 are mainly on account of decrease in finance cost

(2) Steps taken or proposed to be taken for improvement – NA

(3) Expected increase in productivity and profits in measurable terms –

Disclosures as per Rule 6 of (Appointment and Remuneration of Managerial Personnel) Rule, 2024

Parameters for Consideration of Remuneration
(1) the Financial and operating performance of the company during the three preceding financial years.

Particulars	31.03.2025 (₹ in Lakh)	31.03.2024 (₹ in Lakh)	31.03.2023 (₹ in Lakh)
Gross Income	10,955.31	11,573.85	14,298.47
Less: Expenditure	5,229.99	5,295.38	4,601.91
Earnings before depreciation, Finance Cost and tax	**5,725.32**	**6,278.47**	**9,696.56**
Less: Depreciation & amortization expense	120.34	99.62	136.43
Profit before Interest and Finance Cost	**5,604.98**	**6,178.85**	**9,560.13**
Less: Finance costs	4,697.58	5,806.98	4,232.31
Profit/ (Loss) Exceptional Item and Tax	**907.40**	**371.87**	**5,327.82**
Less: Current Tax	339.65	441.44	932.70
Profit/ (Loss) after Tax	**567.75**	**(69.57)**	**4,395.12**
Other Comprehensive Income Re-measurement gains/(losses) on defined benefit plans	0.74	8.22	10.21
Income Tax effect	-	-	-
Total Comprehensive Income for the year	**568.49**	**(61.35)**	**4405.33**

(2) **the relationship between remuneration and performance**.
As mentioned in the heading "Background and Facts"

(3) the principle of proportionality of remuneration within the company, ideally by a rating methodology which compares the remuneration of directors to that of other directors on the board who receives remuneration and employees or executives of the company-

Apart from the remuneration being proposed hereunder none of the Directors being paid any remuneration except the sitting fees as being paid to the Independent Directors of the Company.

(4) whether remuneration policy for directors differs from remuneration policy for other employees and if so, an explanation for the difference.

There is no difference in the remuneration policy of the Directors and that of the KMPs. The company has only one Nomination and remuneration policy for all the Directors, KMPs and the Senior Management Personnel.

(5) the securities held by the director, including options and details of the shares pledged as at the end of the preceding financial year.
Mrs. Ramadevi Bommidala and the other Board members do not hold any share of the company and the company does not have any stock option or other share options or schemes for Directors, KMPs, the Senior Management Personnel and other

employees, etc. of the company. No Securities of the Company are pledged as at the end of the preceding financial year.

Pursuant to Secretarial Standards-2 issued by the Institute of Company Secretaries of India, additional information about Mrs. Ramadevi Bommidala is annexed in **Annexure I** to this Notice.

Except Mrs. Ramadevi Bommidala and her relatives, 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 resolution as contained in Item No. 6 of the Notice for approval by the members by way of **Special Resolution** set out at.

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

GMR Pochanpalli Expressways Limited

Paramjeet Singh
Company Secretary
M. No. A18789
GMR T&UI Off Terminal-2
Opp. Departure Gate No. 1, IGI Airport, New Delhi – 110037

Place: New Delhi
Date: 19/07/2025

ANNEXURE I

Details pursuant to the requirements of Secretarial Standards-2

Name of the Director or Manager	**Mrs. Ramadevi Bommidala**	**Mr. Upendra Kumar**	**Mr. Ramakrishnan Ramamurthy**
Age	52 Years	57 Years	74 Years
Qualifications	Graduate in B.Sc. Home Science from Andhra University, Visakhapatnam.	He holds an MBA degree from ICFAI National College.	Degree in Commerce & Post-Graduation in Business Management from Bangalore University, Diploma in Mechanical Engineering, Post-Graduate in Business Management and a Certified Family Business adviser through FFI – Boston
Experience	More than 25 years of experience in a wide range of industries and project.	He possesses over 21 years of professional experience in the Construction of Interchanges, Bridges, ROBs, Flyovers with deep & shallow foundations like cast-in-situ pile foundation, and open foundation with superstructure likw RCC, PSC I Glders and Box girders with RCC Deck slab, Composite Steel Glder with RCC Deck slab and approach roads with Retaining structure like Retaining wall,	He has over 54 years of Industry/Corporate experience and working with some of the best Family businesses - Murugappa group, Amalgamations, Sanmar, Mythra and also with GMR group. He has also Exposure & experience in Auto sector, Industrial capital and consumer goods, Industrial valves, Renewable energy, Infrastructure -Airport, Energy and Urban infrastructure, Geospatial segment

		Reinforced with wall and Gabion wall. Before joining us on 1st September, 2015, he has extensive experience in the infrastructure industry and worked with various reputed Indian and multi-national infrastructure companies including L&T Limited, Soma Enterprises Limited, Hindustan Construction Co Ltd, RBM-PATI (JV) a Malaysian Company, et	
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	a. Gross Remuneration: ₹1,17,80,000/- Rupees One Crore Seventeen Lakh Eighty Thousand Only) per annum inclusive of all perquisites and facilities with an annual increment of 10% of the gross remuneration. b. In addition to gross monthly remuneration as above, the Company will reimburse Mrs. Ramadevi Bommidala, travelling and other expenses incurred by her in furtherance of or	a. Remuneration not exceeding ₹53,82,419/- p.a. inclusive of all perquisites and facilities with an annual increment as per HR Policy of the Company and with the authority to Board to fix the salary within the said maximum amount from time to time. b. the following shall not be included for the purpose of computation of the Manager's	Proposed to be re-appointed as Independent Director; will be paid sitting fees for attending Board and Committee meetings of the Company during his tenure.

	in connection with the business of the Company. c. The following shall not be included for the purpose of computation of the Whole time Director's gross remuneration as aforesaid: i. The Company's contribution to Provident Fund and Superannuation Fund pursuant to the HR policy of the Company. ii. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service. iii. Encashment of leave at the end of tenure or the time of ceasing to be Whole-time Director pursuant to the HR policy of the Company.	gross remuneration as aforesaid: i. The Company's contribution to Provident Fund and Superannuation Fund pursuant to the HR policy of the Company. ii. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service. iii. Encashment of leave at the end of tenure or the time of ceasing to be Manager pursuant to the HR policy of the Company.	
Date of First appointment on the Board	01.08.2022	NA	NA
Shareholding in the Company	Nil	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	NA	NA	NA

<table>
<tr><td>Number of Board Meetings attended during the financial year 2024-25</td><td>1</td><td>NA</td><td>1</td></tr>
<tr><td>Other Directorships</td><td>1. GMR Energy Trading Limited
2. GMR Enterprises Private Limited
3. BSR Holdings Private Limited
4. GMR Varalakshmi Foundation.
5. Parampara Family Business Institute
6. Parampara Family Business Institute
7. GMR Airport Developers Limited
8. GMR Hyderabad Aerotropolis Limited</td><td>NA</td><td>1. Parampara Family Business Institute
2. GMR Varalakshmi Foundation</td></tr>
<tr><td>Membership / Chairmanship of Committees of other Boards</td><td><table><tr><th>Name of Company</th><th>Committee</th><th>(Chairman/ Member)</th></tr><tr><td>GMR Varalakshmi Foundation</td><td>Audit committee</td><td>Member</td></tr></table></td><td>NA</td><td>Nil</td></tr>
</table>

GMR POCHANPALLI EXPRESSWAYS LIMITED
CIN: U45200KA2005PLC049327
Registered Office: 25/1, SKIP House, Museum Road, Bengaluru–560 025, Karnataka,
Corporate office: GMR T&UI Office, Terminal-2, Opp. Departure Gate No.1, IGI Airport, New Delhi-110037, Tel: 011 40052455
E-mail: highways.secretarial@gmrgroup.in, Website: www.gmrpui.com

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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 20th Annual General Meeting of the Company to be held **on Monday the 18th day of August 2025** at **4.00 P.M** at **Transportation Business Board Room, GMR T&UI Office, Terminal-2, Opp. Departure Gate No. 1, IGI Airport, New Delhi – 110037**.

☐ MEMBER ☐ PROXY

Signature of Member / Proxy

GMR POCHANPALLI EXPRESSWAYS LIMITED
CIN: U45200KA2005PLC049327
Registered Office: 25/1, SKIP House, Museum Road, Bengaluru-560025, Karnataka,
Corporate office: GMR T&UI office, Terminal-2, Opp. Departure Gate No.1, IGI Airport, New Delhi-110037, Tel: 011 40052455
E-mail: highways.secretarial@gmrgroup.in, Website: www.gmrpui.com

FORM NO.MGT-11

PROXY FORM

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

CIN	U45200KA2005PLC049327
Name of the Company	GMR Pochanpalli Expressways Limited
Registered Address	25/1, Skip House, Museum Road, Bengaluru-560025, Karnataka

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

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

1	**Name**			
	Address			
	E-Mail ID		Signature	

or failing him

2	**Name**			
	Address			
	E-mail ID		Signature	

or failing him

3	**Name**			
	Address			
	E-Mail ID		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 19th Annual General Meeting of the Company, to be held on, the **18th Day of August, 2025 at 4:00 PM** at **Transportation Business Board Room, GMR T&UI Office, Terminal-2, 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 of the Company together with the report of Board of Directors and Auditors' Report thereon for the Financial Year ended March 31, 2025.
2.	To appoint Director in place of Mrs. Grandhi Ragini, Director (DIN- 00582227), who is liable to retire by rotation and being eligible offers herself for re-appointment.
Special Business	
3.	To ratify the remuneration of M/s. G. R. & Co., Cost Auditor of the Company for the Financial Year 2025-26.
4	Appointment of Mr. Ramkrishnan Ramamurthy (DIN-00680202) as Independent Director of the Company.
5	Appointment of Mr. Upendra Kumar as Manager of the Company.
6	Re-Appointment of Mrs. Ramadevi Bommidala (DIN 00575031), as Whole Time Director of the Company.

Signed this ____________________ day of ______________________2025

____

Signature of Member

Affix Revenue Stamp of Re.1

____

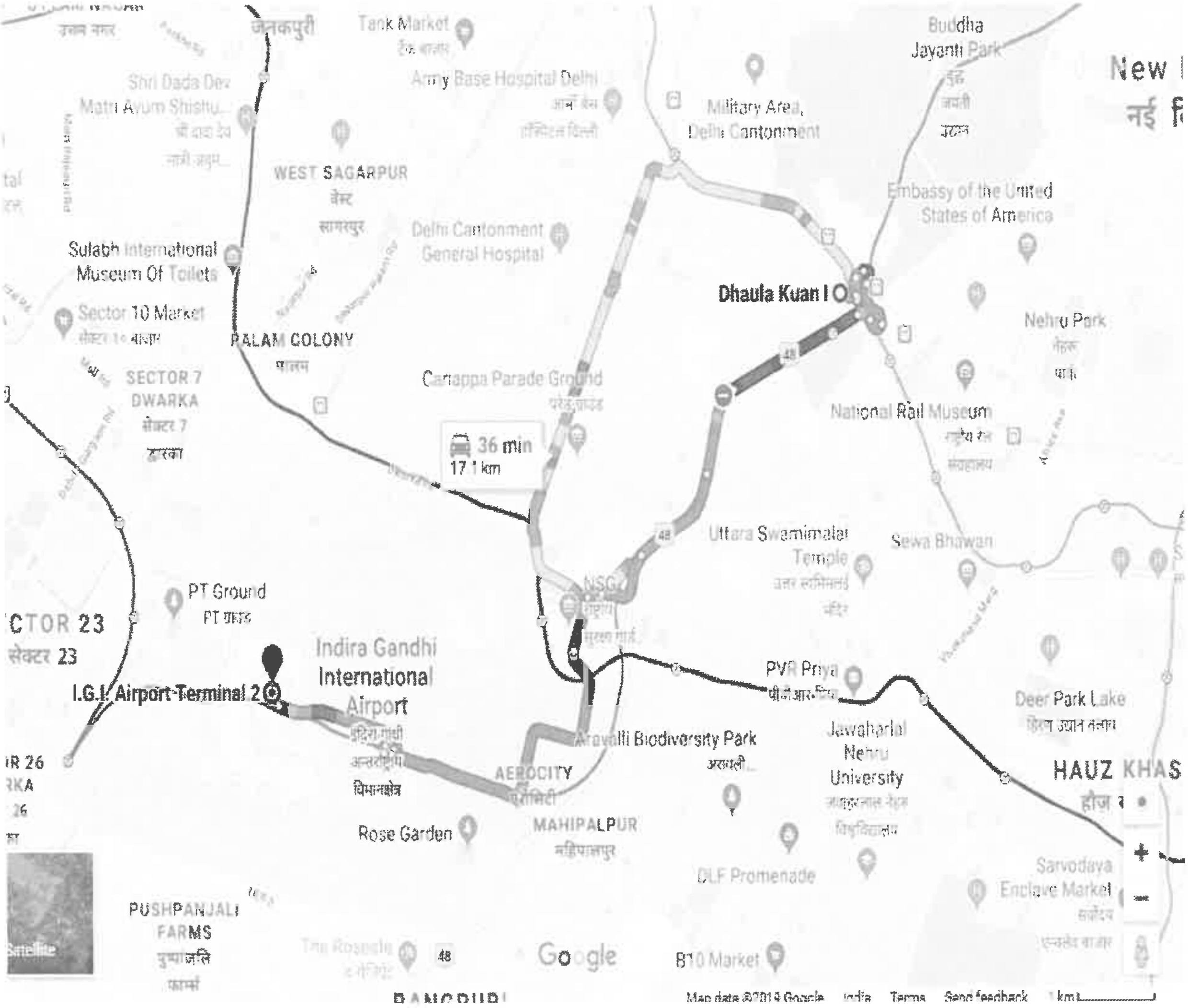
Signature of Proxy holder(s)

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 POCHANPALLI EXPRESSWAYS LIMITED
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E-mail: highways.secretarial@gmrgroup.in
Website: www.gmrpui.com
Phone No.: 011 - 40052455

Director's Report

Dear Shareholders,

Your Directors have pleasure in presenting the 20th Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2025.

FINANCIAL PERFORMANCE SUMMARY

The financial highlights of your Company, for the year ended March 31, 2025 are as presented below:

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Gross Income	10,955.31	11,573.85
Expenditure	5,229.99	5,295.38
Earnings before interest, depreciation and tax	**5,725.32**	**6,278.47**
Depreciation & amortization expense	120.34	99.62
Profit before Interest	**5,604.98**	**6,178.85**
Finance costs	4,697.58	5,806.98
Profit/ (Loss) before Tax	**907.40**	**371.87**
Tax Expense	339.65	441.44
Profit/ (Loss) after Tax	**567.75**	**(69.57)**
Re-measurement gains (losses) on defined benefit plan	**0.74**	**8.22**
Total Comprehensive income for the year	**568.49**	**(61.35)**
Earning per shares (EPS)	**0.41**	**(0.05)**

The Financial Statements of your Company for the Financial Year 2024-25 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), Indian Accounting Standards ('Ind AS') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year ended March 31, 2025, your Company made profit of ₹568.49 Lakh as compared to a loss of ₹61.35 Lakh during the previous year. Profit during the Financial Year 2024-25 are mainly on account of reduction in finance cost.

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Company was incorporated on October 18, 2005 to develop and maintain 102 kms stretch on National Highway 7 connecting Adloor Yellareddy and Gundla Pochanpalli in the then state of Andhra Pradesh (currently State of Telangana). The concession was awarded by National Highways Authority of India (NHAI) on Build, Operate and Transfer (BOT) Annuity Basis to the consortium based on its lowest annuity quote of ₹108.36 Crore (payable semi-annually). GPEL has entered into a Concession Agreement (CA) with NHAI on March 31, 2006 for the project. The project achieved Commercial Operations (COD) on March 26, 2009. The Company received its first annuity from NHAI in September 2009.

The Company has entered the 17th year of commercial operations. Around 36 lane Km of periodic maintenance with Hot in Place recycling methodology, was executed as required. The riding quality is appreciable and within the limit specified under the Concession Agreement. Greenery is well maintained across the project. Construction of ROB which was taken up by the Company under Change of Scope as required by NHAI and the work is nearing completion stage (93% of work completed and balance work is in progress). This will enhance road user safety.

Continuous efforts are being put in to enhance the safety of road users by involving various stakeholders. The Company has achieved 100% Lane availability, and the operations of the Company were satisfactory. Also, various Corporate Social Responsibility activities have been organized in association with GMRVF to benefit the people.

The Hon'ble Delhi High Court (HC) upheld the interpretation of the Company on frequency of Major Maintenance. Hon'ble HC Order is under challenge by NHAI in the Division Bench of the Hon'ble Delhi High Court. Arguments are under progress.

The GST Authorities vide Order dated February 26, 2025 confirmed the demand of CGST amounting to ₹34.13 Crore and SGST of ₹34.13 Crore thereby upholding that works contract services should be classified under SACS 9954 and imposed a demand of penalty of ₹6.82 Crore along with interest. Aggrieved by the said GST Authority Order, the Company has filed a writ petition before Hon'ble Telangana High Court challenging the GST Authority Order. The Hon'ble Telangana High Court vide order dated May 01, 2025 was pleased to stay the effect and operation of the impugned GST Authority Order. The next date of hearing is yet to be fixed by the Hon'ble Telangana High Court.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

DIVIDEND

To augment the resources for the Company's business and a matter of prudence, the Board of Directors have not recommended any dividend for the Financial Year 2024-25.

TRANSFER TO RESERVES

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

HOLDING COMPANY/ SUBSIDIARIES / JOINT VENTURES / ASSOCIATE COMPANIES

During the year under review, GMR Highways Limited remained the holding company by virtue of its holding 74.48% of share capital of the Company and GMR Power and Urban Infra Limited (GPUIL) remained ultimate holding company by virtue of its holding (along with GMR Highways Limited) of 100% of Share Capital of the Company,

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

There is no subsidiary and associate (including Joint-Venture) which ceased during the year under review.

SHARE CAPITAL

Authorized Share Capital

The Authorized Share Capital of the Company is ₹184,00,00,000 (Indian Rupees One Hundred Eighty Four Crore Only) divided into 13,81,00,000 (Thirteen Crore Eighty One Lakh) Equity Shares of ₹10/- (Indian Rupees Ten Only) each and 45,90,000 (Forty Five Lakh Ninety Thousand) 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 ₹182,50,00,000 (Indian Rupees One Hundred Eighty Two crore and Fifty Lakhs only) divided into 13,80,00,000 (Thirteen Crore Eighty Lakhs) Equity Shares of ₹10/- (Indian Rupees Ten Only) each and 44,50,000 (Forty Four Lakh Fifty Thousand) 8% Non-cumulative Non-Convertible Preference Shares of ₹100/- (Indian Rupees Hundred Only) each.

During the year under review, the Company has not issued any shares with differential voting rights nor has granted any stock option or sweat equity. As on March 31, 2025, none of the Directors of the Company hold any instrument convertible into Equity Shares of the Company. Accordingly, there has been no change in the Paid-up Share Capital of the Company during the year under review.

DEBENTURES LISTING WITH STOCK EXCHANGE

The Company had issued 6,500 (Six Thousand Five Hundred only) Rated, taxable, Listed, Redeemable, Non-Convertible Debentures (NCDs) of ₹10,00,000 (Indian Rupees Ten Lakhs Only) each, aggregating to ₹650,00,00,000/- (Indian Rupees Six Hundred Fifty Crore Only) on Private Placement basis on July 27, 2010. Out of the total 6,500 NCDs, the Company has already redeemed 5,784 NCDs so far and the number of outstanding NCDs as on date (i.e. post redemption on April 12, 2025) are 716 Nos.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Presently, the Company's Board comprises of 5 Directors, comprising of One Executive Director, Two Non - Executive Directors 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 Directors on the Board and the KMPs of the Company are as follows:

S. No.	Name of Director and Key Managerial Personnel	Designation
1	Mrs. Ramadevi Bommidala	Whole Time Director
2	Mrs. Ragini Grandhi	Non-Executive Director
3	Mr. Arun Kumar Sharma	Non-Executive Director
4	Mr. Ramakrishnan Ramamurthy	Additional Independent Director
5	Mr. Bajrang Lal Gupta	Independent Director
6	Mr. Paramjeet Singh	Company Secretary
7.	Mr. Amit Kumar	Chief Financial officer
8.	Mr. Upendra Kumar*	Manager

*Mr. Upendra Kumar has been appointed as manager w.e.f. May 01, 2025.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Act. The Directors of the Company have made necessary disclosures under Section 184 and other relevant provisions of the Act.

Declaration Given by Independent Directors

In terms of the provisions of section 149 of the Act, the independent directors on the Board of your Company as on the date of this report are Mr. Bajrang Lal Gupta and Mr. Ramakrishnan Ramamurthy.

The Company has received declaration pursuant to Section 149(7) of the Act from all the independent directors stating that they meet the criteria of independence as provided in section 149(6) of the Act. Further, the Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties as Independent Directors of the Company.

The independent directors have also confirmed compliance with the provisions of section 150 of the Act read with rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, relating to inclusion of their name in the independent director's databank of the Indian Institute of Corporate Affairs.

The Independent Directors have confirmed that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and also complied with the Code of Conduct for directors and senior management personnel, formulated by the Company.

Changes in Composition of Directors and Key Managerial Personnel

During the year under review and till the date of this report, the following Directors / Key Managerial Personnel were appointed / resigned:

Changes in Directors	Mr. Arun Kumar Sharma, Director (DIN- 02281905) of the Company, who retired by Rotation and being eligible for re-appointment was re-appointed as Director of the Company.
	Mr. Mohan Rao M. (DIN- 02506274) who was appointed as an Independent Director for a period of 5 years w.e.f. September 01, 2022 has resigned w.e.f. conclusion of the Board Meeting held on October 17, 2024. The Board places on record its appreciation towards valuable contribution made by him during his tenure as Independent Director of the Company.
	Mr. Ramakrishnan Ramamurthy (DIN-00680202) was appointed as an Additional Independent Director of the Company w.e.f. December 24, 2024, who shall hold office for a period of 5 (five) consecutive years subject to the approval of shareholders at the Next Annual General Meeting
Changes in KMP's	Mr. Adimoolam Paranthaman, who was reappointed as Manager of the Company for a period of 3 years w.e.f. February 23, 2022, has resigned from the position of Manager of the Company w.e.f. November 15, 2024.
	Mr. Jannela Venkat Ramana was appointed as Manager of the Company for a period of 3 years w.e.f. December 01, 2024.
	Mr. Jannela Venkat Ramana has resigned from the position of Manager of the Company w.e.f. February 22, 2025.
	Mr. Upendra Kumar has been appointed as Manager of the Company for a period of 3 years w.e.f. 1st May, 2025.
Proposals for forthcoming AGM	Ms. Ramadevi Bommidala, Director (DIN- 00575031) would retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers herself for re-appointment. The Board of Directors on the recommendation of Nomination & Remuneration Committee in its meeting held on July 19, 2025 recommends her re-appointment. The proposal for her re-appointment has been included in the Notice of the ensuing Annual General Meeting.
	Mr. Ramakrishnan Ramamurthy (DIN-00680202) was appointed as an additional Independent Director by the Board of Directors of the Company w.e.f. December 24, 2024. The Board of Directors on the recommendation of Nomination and Remuneration Committee in its meeting held on July 19, 2025 recommends to the Shareholders, the appointment of Mr. Ramkrishnan Ramamurthy (DIN-00680202) as an Independent Director of the Company with effect from December 24, 2022 for a period of 5 (five) years.
	The present term of Mrs. Ramadevi Bommidala, Director (DIN- 00575031) as Wholetime Director of the Company is concluding on 31 July, 2025 and the proposal for her reappointment being taken up for approval of shareholders in the forthcoming Annual General Meeting. Based on the recommendation of NRC meeting held on July 19, 2025, the Board

	recommends her re-appointment as WTD of the Company for next 2 years w.e.f. August 01, 2025.

STATEMENT REGARDING OPINION OF THE BOARD W.R.T. INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF INDEPENDENT DIRECTOR APPOINTED DURING THE YEAR.

Mr. Bajrang Lal Gupta was appointed as an Independent Director for the second term with effect from September 01, 2021 to hold office for a term of five (5) years and the same was approved by the members of the Company at the Annual General Meeting held on August 31, 2021.

Mr. Mohan Rao Murthy was appointed as an Independent Director with effect from September 01, 2022 to hold office for a term of five (5) years and the same was approved by the members of the Company at the Annual General Meeting held on August 30, 2022. Further, Mr. Mohan Rao Murthy has resigned w.e.f. October 17, 2024.

Mr. Ramakrishnan Ramamurthy was appointed as an additional Independent Director with effect from December 24, 2024 to hold office for a term of five (5) years. The Board of Directors on the recommendation of Nomination and Remuneration Committee in its meeting held on July 19, 2025 recommends to the Shareholders, the appointment of Mr. Ramkrishnan Ramamurthy (DIN-00680202) as an Independent Director of the Company with effect from December 24, 2022 for a period of 5 (five) years.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity (including the proficiency) and fulfils the conditions specified in the Act read with Rules made thereunder and are eligible & independent of the management.

NUMBER OF MEETINGS OF THE BOARD

Board Meeting

The Board of Directors met 5 times during the financial year 2024-25 i.e. on April 29, 2024; July 19, 2024; October 17, 2024, December 16, 2024 and January 20, 2025. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and Articles of Association of the Company. The details of the attendance of the Directors are provided below:

Sr. No	Name of Directors	Category of Director(s)	No. of Board Meetings entitled to attend	No. of Board Meetings attended
1.	Mrs. Ramadevi Bommidala	Whole-time Director	5	1
2	Mrs. Ragini Grandhi	Director	5	4
3	Mr. Arun Kumar Sharma	Director	5	5

4	Mr. Mohan Rao Murthy*	Independent Director	3	3
5	Mr. Bajrang Lal Gupta	Independent Director	5	5
6	Mr. Ramakrishnan** Ramamurthy	Additional Independent Director	1	1

*Mr. Mohan Rao Murthy has resigned w.e.f. closure of business hour of October 17, 2024.
**Mr. Ramakrishnan Ramamurthy was appointed as an additional Independent Director w.e.f. December 24, 2024.

AUDIT COMMITTEE

Audit Committee of the Company was duly constituted in terms of Section 177 of the Companies Act, 2013, read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014.

The composition of the Committee during the year is mentioned below:

Sr. No	Name	Category
1.	Mr. B.L Gupta	Chairman-Independent Director
2.	Mr. Ramakrishnan Ramamurthy*	Member-Additional Independent Director
3.	Mr. Mohan Rao Murthy**	Member-Independent Director
4.	Mr. Arun Kumar Sharma	Member-Non Independent, Non-Executive

*Mr. Ramakrishnan Ramamurthy was appointed as an additional Independent Director w.e.f. December 24, 2024.
**Mr. Mohan Rao Murthy has resigned w.e.f. closure of business hour of October 17, 2024.

All the members of Audit Committee are financially literate.

The Audit committee met 5 times during the financial year 2024-25 i.e. on April 29, 2024; July 19, 2024; October 17, 2024, December 16, 2024 and January 20, 2025. The details of the attendance of the Committee Members are provided below:

Sr. No	Name of Members	Designation	No. of Meeting entitled to attend	No. of Meeting attended
1	Mr. Bajrang Lal Gupta	Chairman	5	5
2	Mr. Arun Kumar Sharma	Member	5	5
3	Mr. Mohan Rao Murthy*	Member	3	3
4	Mr. Ramakrishnan Ramamurthy**	Member	1	1

*Mr. Mohan Rao Murthy has resigned w.e.f. closure of business hour of October 17, 2024.
** Mr. Ramakrishnan Ramamurthy was appointed as an additional Independent Director w.e.f. December 24, 2024.

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

ESTABLISHMENT OF VIGIL MECHANISM

In terms of Section 177(9) of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014, your Company has formulated and established a vigil mechanism for its directors and employees to report genuine concerns. Company's vigil mechanism is in the form of a 'Whistle Blower Policy' and the same is available on the website of the company i.e. https://www.gmrpui.com/pdf/GPEL-Whistle-Blower-Policy.pdf

The Company believes in conducting the affairs of its constituents in a fair and transparent manner by adopting the 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

The Nomination and Remuneration Committee was duly constituted in terms of Section 178 of the Companies Act, 2013.

The composition of the Committee during the year is mentioned below:

Sr. No	Name	Category
1.	Mr. B.L Gupta	Chairman-Independent Director
2.	Mr. Ramakrishnan Ramamurthy*	Member-Additional Independent Director
3.	Mr. Mohan Rao Murthy**	Member-Independent Director
4.	Mr. Arun Kumar Sharma	Member-Non-Independent, Non-Executive

*Mr. Ramakrishnan Ramamurthy has appointed as an additional Independent Director w.e.f. December 24, 2024.
** Mr. Mohan Rao Murthy has resigned w.e.f. closure of business hour of October 17, 2024.

The Committee met 2 (two) time during the Financial Year 2024-2025 i.e. July 19, 2024 and October 17, 2024. The details of the attendance of the Committee Members are provided below:

Sr. No	Name of Members	Designation	No. of Meeting entitled to attend	No. of Meeting attended
1	Mr. Bajrang Lal Gupta	Chairman	2	2
2	Mr. Arun Kumar Sharma	Member	2	2
3	Mr. Mohan Rao* Murthy	Member	2	2

*Mr. Mohan Rao Murthy has resigned w.e.f. closure of business hour of October 17, 2024.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

The Nomination and Remuneration Policy is available on the Company's website at https://www.gmrpui.com/pdf/Nomination-and-renumeration-committee-policy.pdf

STAKEHOLDERS RELATIONSHIP COMMITTEE

The provisions of Section 178(5) of the Companies Act, 2013 pertaining to constitution of Stakeholders Relationship Committee are not applicable to Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

The Composition of the CSR Committee during the year as mentioned below:

Sr. No	Name	Category
1.	Mr. B.L Gupta	Chairman-Independent Director
2.	Mr. Ramakrishnan Ramamurthy*	Member-Additional Independent Director
3.	Mr. Mohan Rao Murthy**	Member-Independent Director
4.	Mr. Arun Kumar Sharma	Member Non-Independent, Non-Executive

*Mr. Ramakrishnan Ramamurthy was appointed as an additional Independent Director w.e.f. December 24, 2024.

*Mr. Mohan Rao Murthy has resigned w.e.f. closure of business hour of October 17, 2024.

The CSR Committee met 1 (one) time during the financial year 2024-25 i.e. on July 19, 2024 the details of which are given below:

Sr. No	Name of Members	Designation	No. of Committee Meeting entitled to attend	No. of Meetings attended
1	Mr. B.L Gupta	Chairman	1	1
2	Mr. Mohan Rao Murthy*	Member	1	1
3	Mr. Arun Kumar Sharma	Member	1	1

*Mr. Mohan Rao Murthy has resigned w.e.f. closure of business hour of October 17, 2024.

DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY

CSR POLICY

Companies CSR Policy is available on the website of the Company at https://www.gmrpui.com/pdf/Corporate-Social-Responsibility-Committee-Policy.pdf.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The GMR Group's social responsibility initiatives are implemented through GMR Varalakshmi Foundation (GMRVF), the CSR arm of the GMR Group. The activities cover awareness about Preventive Health Care & Sanitation, Promoting Education including Vocational Skills and Promoting Empowerment, Community Development & Livelihoods.

As per the provisions of Section 135 of the Companies Act, 2013, every Company having net worth of ₹ 500 Crore or more or turnover of ₹ 1,000 Crore or more or net profit of ₹ 5 Crore or more, during any financial year shall constitute CSR Committee of the Board and shall ensure to spend, in every financial year, at least 2% of average net profits of the Company, made during the three immediately preceding financial years, as computed in accordance with the provisions of Section 198 of the Companies Act, 2013 towards CSR activities in line with the CSR Policy of the Company.

As per the updated/amended provisions of Section 135 of the Companies Act, 2013 read with Rule 3 of the Companies (Corporate Social Responsibility Policy) Rules 2014, your company was not falling under any of the prescribed criteria, hence, it was not required to spend any amount during the Financial Year 2024-25.

ANNUAL RETURN

Pursuant to the provisions as contained in Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2025 is available on the Company's website at https://gmrpui.com/pdf/GPEL-Annual-Return-2024-25.pdf

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

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

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

<u>Foreign Exchange Earnings and outgo:</u> NIL

<u>AUDITORS AND AUDITORS' REPORT</u>

<u>Statutory Auditors</u>

The Shareholders of the Company in their 18th Annual General Meeting held on August 31, 2023 has appointed M/s. Chaturvedi & Shah LLP, Chartered Accountants, (ICAI Firm Registration No. 101720W), as Statutory Auditors of the Company, for second terms, for a period of 5 (five) consecutive years to holds the office till the conclusion of AGM to be held in the year 2028. They have also confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

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

The Auditor's Report does not contain any Qualification / Reservation / Adverse Remark, however certain matters were emphasized by the Statutory Auditors in their report which along with Management Response are given below:

Emphasis of Matter

We draw attention to Note no. 32 to the accompanying standalone financial statements with regards to non-giving effect to the order of the Hon'ble High Court of Delhi dated April 06, 2022 by upholding Company's contentions, with regard to applicability of overlay work only on increase in roughness index of roads, pending finality. We are informed that the National Highways Authority of India (NHAI) has already challenged the order in the appellate Court, in view of the matter being sub-judice and pending finality and clarity, the Company has not given financial effect to the impact of the order.

Explanation given by the Management:

Note No. 32:

The Company had received a penalty notice from National Highways Authority of India (NHAI) who levied a penalty of ₹1,031.00 Lakhs on the Company for alleged delayed completion of the project's first periodic maintenance, which was later enhanced by CAG to ₹2,344.00 Lakhs. NHAI subsequently deducted ₹1,078.62 Lakhs, ₹1,430.48 Lakhs, ₹197.90 Lakhs and ₹2264.90 Lakhs from the 18th, 22nd, 25th and 32nd annuities, respectively, towards penalty, non-fulfilment of O&M obligations and non-curing of deficiencies in the time specified in the Concession Agreement (CA) which is considered recoverable in the opinion of the management. The Company initiated arbitration, disputing the Concession Agreement's requirement for mandatory five-year periodic maintenance.

On January 14, 2020, the Tribunal ruled against the Company, stating overlay work was required regardless of road condition and directed commencement of the second overlay by April 01, 2020 (completion by December 31, 2020) and the third by April 01, 2025. NHAI appealed to the Delhi High Court, challenging the extended timelines to commence and complete the second overlay work and third overlay work stating that such concession is not in accordance with

Concession Agreement. The Tribunal also ordered NHAI to refund ₹1,078.62 Lakhs with interest at 12% p.a., and ₹30.00 Lakhs plus arbitrator fees to cover litigation costs. NHAI appealed the refund order as well. The Company also filed an application with the Delhi High Court under Section 34 of the Arbitration and Conciliation Act, 1996, challenging the Tribunal's award to the extent of wrong interpretation of clause 4.3.1 of schedule "I" to CA of the Concession Agreement regarding mandatory overlays and seeking reimbursement for overlay costs.

The Delhi High Court, on April 06, 2022, upheld the Company's argument that overlays are only required when the roughness index exceeds 2000 mm/km, rejecting the Tribunal's ruling. It also upheld the Company's claim for reimbursement of first maintenance costs, directing the arbitrator to quantify the claim. The High Court further upheld other Tribunal awards favorable to the Company. NHAI has appealed under section 37(1)(c) of the Arbitration and Conciliation Act, 1996 this High Court order to a Division Bench of the Delhi High Court. On July 11, 2022, the Court directed a status quo.

Further, the Delhi High Court had dismissed the Company's Section 9 application as not maintainable on January 10, 2023. Consequently, the Company invoked arbitration on May 05, 2023, seeking a refund of ₹1,430.48 Lakhs for wrongly withheld amounts while time to complete 2nd overlay as allowed by the Arbitral Tribunal was still available. Arbitral Tribunal has been constituted with Presiding arbitrator with two Co-arbitrators. During its initial sitting on November 01, 2023, the Arbitral Tribunal established a schedule for completing pleadings, which have since been finalized. On July 30, 2024, the Arbitral Tribunal indicated that the outcome of Section 37 appeals could impact the case and adjourned the matter pending a decision. However, on November 30, 2024, the Arbitral Tribunal, upon the Company's submissions, observed its prerogative to determine whether the Delhi High Court matter bears relevance to the arbitration. Final arguments are scheduled for hearing during July 15, 2025.

As the matter is sub-judice, the Company has not recognized the potential financial benefit of the High Court order. Specifically, it has not reversed provisions for overlay costs or recognized a modification gain in its service concession receivables, pending the Division Bench's final decision. The modification gain and reversal of overlay cost provision, if any, will be accounted for upon resolution of NHAI's appeal.

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 Board of Directors in its meeting held on July 19, 2024 had appointed M/s. VAPN & Associates, Company Secretaries in Whole time Practice, New Delhi to conduct the Secretarial Audit for the Financial Year 2024-25. The Secretarial Audit Report, in Form MR-3, for the Financial Year 2024-25, is annexed as **Annexure - III.**

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

The Board of Directors at its meeting held on July 19, 2025, has reappointed M/s. VAPN & Associates, Company Secretaries in Whole time Practice, New Delhi, who has provided their consent and confirmed their eligibility to act as the "Secretarial Auditors" of the Company, to conduct the Secretarial Audit for the Financial Year 2025-26, pursuant to the provisions of

Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, your Company was required to maintain the cost records and the said cost records were also required to be audited. Accordingly, the Board of Directors, based on the recommendation of the Audit Committee in its meeting held on July 19, 2024, had appointed M/s G.R. & Co., Cost Accountant as the Cost Auditor for the financial year 2024-25 for auditing the cost records of the Company. M/s G.R. & Co. has submitted the Cost Audit Report for the financial year 2024-25 which is annexed as **Annexure - IV**. There are no qualifications, reservations or adverse remarks in the said Cost Audit Report.

The Shareholders of the Company at their 19th AGM held on September 03, 2024, had ratified the remuneration payable to the Cost Auditors in terms of Rule 14 of the Companies (Audit & Auditors) Rules, 2014

The Board of Directors in its meeting held on July 19, 2025 based on the recommendation of the Audit Committee have reappointed M/s G.R. & Co., Cost Accountant, as the Cost Auditor for the Financial Year 2025-26 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 item for obtaining requisite approval / ratification of the shareholders for the fees payable to the Cost Auditors for conducting the audit for the Financial Year 2025-26 has been included in the notice of Annual General Meeting.

Internal Auditors

The Board of Directors in their meeting held on April 29, 2024, based on the recommendation of the Audit Committee, had appointed M/s. Bhaskara Rao & Co., Chartered Accountants, Hyderabad as the Internal Auditor for the Financial Year 2024-25 for auditing the records of the Company. M/s. Bhaskara Rao & Co., Chartered Accountants has submitted the Internal Audit Reports for all the 4 quarters during the Financial Year 2024-25. There are no qualifications, reservations or adverse remarks in the said Internal Audit Report. The audit observations made in their reports were duly explained by the management while it was considered by the Audit Committee and the Board in respective quarters and year end.

The Board of Directors in its meeting held on April 21, 2025, based on the recommendation of the Audit Committee, have appointed M/s. Bhaskara Rao & Co., Chartered Accountants, Hyderabad as the Internal Auditor for the Financial Year 2025-26.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company is engaged in the business of providing Infrastructural facilities and hence, it is exempted from 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 made, guarantee given and security provided or any investment made by it.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

During the year under review, transactions with the related parties were carried out in accordance with the Related Party Transaction Policy of the Company and applicable provisions of the Companies Act, 2013. The particulars required to be disclosed pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014, in prescribed Form AOC - 2, is enclosed herewith as **Annexure - V.**

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Directors, based on their knowledge and belief and according to the information and explanation / certifications obtained from the management, confirm in respect of the audited financial statements for the year ended March 31, 2025 that:

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

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

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

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

(e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls were adequate and operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that 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 THE 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 the 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.

STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS.

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

The mechanism to evaluate the performance of Board, its committee and Directors, as per the statutory requirement, was considered and adopted by the Board in its Meeting held in July 31, 2015.

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

Independent Directors' Meeting

Pursuant to the provisions of Schedule IV of the Act, the independent directors must hold at least one meeting in a year without the presence of non–independent directors and members of the Management. Accordingly, independent directors of the Company met on June 03, 2025:

I. To review the performance of non-independent directors and the Board as a whole;

II. To assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties;
III. Any other matter the Independent Directors may want to discuss.

All the Independent Directors were present at the meeting.

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

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

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

The internal control system of the Company provides for adherence to approved procedures, policies, guidelines and authorization. In order to ensure that all checks and balances are in place and all the internal control systems and procedures are in order, regular and exhaustive internal audit is conducted by M/s. Bhaskara Rao & Co., Chartered Accountants. Internal Audit Reports prepared M/s. M. Bhaskara Rao & Co. were reviewed by the Audit Committee on quarterly basis which were then placed before the Board.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

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

Disclosure in terms of the Listing Agreement for Debt Securities.

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

S. No.	In the accounts of an issuer who is a	Disclosures of amount at the year end and the maximum amount of loans / advances / investments Outstanding during the year 2024-25:
1.	GMR Highways Limited – (Holding Company)	Loan given and outstanding as at 31.03.2025, ₹ 11,809.92 Lakh
		Maximum Amount outstanding during the year, ₹ 11,809.92 Lakh

2.	GMR Power and Urban Infra Limited - (Holding Company)	Loan given and outstanding as at 31.03.2025, ₹ 12,150.56 Lakh
		Maximum Amount outstanding during the year, ₹ 12,150.56 Lakh
3.	Dhruvi Securities Pvt. Ltd- (Fellow subsidiary Company)	Loan given and outstanding as at 31.03.2025, ₹ 177.00 Lakh
		Maximum Amount outstanding during the year, ₹ 177.00 Lakh
4.	GMR SEZ and Port Holdings Private Limited - (Fellow subsidiary Company)*	Loan given and outstanding as at 31.03.2025 is NIL
		Maximum Amount outstanding during the year, ₹ 2,510.00 Lakh
5.	GMR Ambala-Chandigarh Expressways Private Limited – (Fellow subsidiary Company)	Loan given and outstanding as at 31.03.2025, ₹ 266.53 Lakh
		Maximum Amount outstanding during the year, ₹ 266.53 Lakh

On December 17, 2024 the loan/(s) granted during earlier years along with interest accrued aggregating to ₹3,280.00 Lakh to GMR SEZ and Port Holdings Private Limited has been converted into 328 Unsecured 0.01% Compulsorily Convertible Debentures (CCDs) of face value of ₹10,00,000/- each aggregating to ₹3,280 Lakhs of GMR SEZ & Port Holdings Limited (GSPHL) on preferential basis.

Details of Debenture Trustee:

Name of the Debenture Trustee	**M/s Axis Trustee Services Limited**
Address	The Ruby, 2nd Floor, SW, 29, Senapati Bapat Marg, Dadar West, Mumbai - 400028 Telephone No: 022 - 62260054 / 62260050
Contact Person and Designation	Mr. Nitul Gala, Deputy Manager

DISCLOSURE AS PER THE SEXUAL HARASSMENT AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a safe and dignified work environment for its employees which is free of discrimination, intimidation and abuse.

The Company has adopted a Policy for Prevention of Sexual Harassment of Women at Workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“Act”).

The objective of this policy is to provide protection against sexual harassment of women at workplace and for redressal of complaints of any such harassment.

The Company has a duly constituted Internal Committee (IC) and your Directors further state that during the year under review, no case was filed or complaint was received pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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 the year	No. of complaints recei ved during the year	No of complaints disposed off during the year	No of number of cases pending for more than ninety days
Sexual Harassment	Nil	Nil	Nil	Nil

STATEMENT BY THE COMPANY WITH RESPECT TO THE COMPLIANCE OF THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT 1961

The Company have Maternity Leave Policy (As per the Maternity Benefit Act, 1961), which mandates paid maternity leaves and other benefits to female employees.

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.

CORPORATE GOVERNANCE

Your Company stands committed to the key elements of good corporate governance, transparency, disclosure and independent supervision to increase value to the stakeholders.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

There has not been any instance of one-time settlement of the Company with any Bank or Financial Institution.

CREDIT RATINGS

The Company has been assigned a credit rating of CARE BB-; Stable (Double B Minus; Outlook: Stable) by CARE Ratings Limited on rated, listed, secured, redeemable NCDs.

INVESTOR GRIEVANCES / COMPLAINTS

The details of the Investor Complaints received and resolved during the Financial Year ended March 31, 2024 are as follows:

Opening Balance	No. of complaints received	No. of complaints resolved	No. of complaints not solved to the satisfaction of shareholders	No. of complaints pending
0	0	0	0	0

To enable investors to share their grievance or concern, Company has set up a dedicated e-mail ID highways.secretarial@gmrgroup.in

PROHIBITION OF INSIDER TRADING

To comply with the provisions of Regulation 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prohibition of Insider Trading and the same is uploaded on website of the Company at Code-of-Conduct-For-Prevention-of-Insider-Trading-and-Code-of-Practices-and-Procedures-for-Fair-Disclosure-of-Unpublished-Price-Sensitive-Information.pdf (gmrpui.com)

DESIGNATED PERSON

The Board of Directors in its meeting held on January 18, 2024 has designate Company Secretary of the Company, as the “Designated Person” for the purpose of Section 89 of the Act read with Rule 9 of MGT Rules.

NODAL OFFICER

The Board of Directors in its meeting held on January 18, 2024, designated Company Secretary of the Company as “Nodal Officer” pursuant to the provisions of the Regulation 61A of SEBI (LODR) Regulations, 2015 read with the circular No. SEBI/HO/DDHS/DDHS-RAC-1/P/CIR/2023/176 dated November 08, 2023 who shall be the point of contact for investors entitled to claim their unclaimed amounts, SEBI, Stock Exchange/(s) and Depositories. The details of nodal officer are also hosted on the portal of the Company.

Further the Board also approved a policy specifying the process to be followed by the investors for claiming their unclaimed amount i.e. “Policy for processing unclaimed amounts of Investors” which is available on the Company’s website at https://gmrpui.com/pdf/Policy-for-Processing-Unclaimed-Amounts-of-Investors.pdf

During the year under review, there is no unclaimed interest of debenture holders are required to transfer to ‘Investor Education and Protection Fund’ constituted in terms of section 125 of the Companies Act, 2013.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their sincere thanks and gratitude to the Government of India, Government of Telangana, National Highways Authority of India and other

Central and State Government Agencies, Life Insurance Corporation of India, IDBI Bank , Axis Trustee Services Limited and Statutory Auditors M/s Chaturvedi & Shah LLP, Chartered Accounts for their support.

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

For and on behalf of the Board

Sd/-	**Sd/-**
Arun Kumar Sharma	**Bajrang Lal Gupta**
Director	**Director**
DIN 02281905	DIN 07175777

Date: 19/07/2025
Place: New Delhi

Annexure - I

Particulars of Employees and related disclosures

Name	Designation	Gross Remuneration (₹ in Crore)	Nature of Employment	Qualification	Exp (Yrs.)	Date of Commencement of Employment	Age (Yrs.)	Last Employment
Mr. O Bangaru Raju	President	2.58	Permanent	CA	48.1	01.05.2019	68	Suryavamshi Spinning Mills Ltd.
Mrs. Ramadevi Bommidala	Whole Time Director	1.07	Permanent	Graduate in in B.Sc. Home Science	22.7	01.08.2022	52	GMR Group
Mr. Amit Kumar	CFO	1.14	Permanent	CA	22.8	01.08.2005	46	Essar Constructions Limited.
Mr. Barathi Renganathan	Project Manager	0.49	Permanent	B.E.	32.6	30.09.2010	55	Theme Engineering Services Pvt Ltd
Mr. Siddharth Pradeep Shukla	Associate General Manager - BCM Office	0.43	Permanent	MBA	15.1	27.02.2023	41	JMC Projects - Kalpataru Group
Mr. Venkata Satya Sarabha Srikanth*	Project Manager	0.51	Permanent	B.E.	32	15.12.2007	55	Lasa & Lea Internationals
Mr. Paranthaman Adimoolam#	Manager	0.29	Permanent	B. Tech	34.5	02.11.1999	54	GMR-Natwest Constructions (Tanirbhavi Power Company)
Mr. Harish Kumar	Manager - HR	0.21	Permanent	MBA	19.2	10.01.2017	43	IOT Infrastructure & Energy Services Ltd.
Mr. Girish. M Parmar$	Associate Manager -	0.17	Permanent	B.E	36.1	07.05.2010	45	JMC Projects
Mr. Lakshman Oduri&	Junior Manager	0.17	Permanent	Diploma in Civil Engineering	24.6	06.09.2010	46	Soma Enterprise Ltd

* On the roll of the company till 30.11.2024
\# On the roll of the company till 15.11.2024
$ On the roll of the company till 13.01.2025
& On the roll of the company till 04.11.2024

Note: None of the employees mentioned above holds any share of the Company, nor is a relative of any Director of the Company.

Annexure - II

GMR Pochanpalli Expressways Limited

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

(A) Conservation of Energy

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

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

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

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

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

(iii) Installation of LED lights:

The Company has replaced all existing conventional highway lights (Sodium Vapor Lamps) by using LED retrofit lights. Retrofitting without investment helps in saving energy at a very nominal price as compared to complete replacement of HPSV unit with new LED unit, at the same time is environmentally friendly.

(B)Technology in Civil Construction:

(i) Hot in Place Recycling: Company executed Hot in Place Recycling methodology in the periodic maintenance of pavement instead of Conventional pavement laying methodology thereby achieving substantial savings and also environmentally friendly by reducing the natural material consumption.

(Iii) The Capital Investment on energy conservation Equipments: NIL

(C) Technology Absorption:
(i) GSM Sim based Connectivity: Company has proposed to adopt wireless connectivity for the HTMS – ECBs (Highway Traffic Management System – Emergency Call boxes). Previously these were connected through optical fiber. However due to repeat fiber cuts due to works by

various Government departments, the functionality of these equipment was affected. Hence, GSM based sim-card technology connectivity is implemented.

(ii) KentCam: Kentcam is a monitoring system with camera. This is fixed in Route Patrolling vehicle and the highway can be remotely accessed and monitored through mobile apart from the Route Patrol team.

(iii) the benefits derived like product improvement, cost reduction, product development or import substitution: NIL

(iv) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NIL

(a) the details of technology imported: NIL
(b) the year of import: NIL
(c) whether the technology been fully absorbed: NIL
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NIL

(iv) the expenditure incurred on Research and Development: NIL

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
GMR Pochanpalli Expressways Limited
CIN: U45200KA2005PLC049327
25/1, SKIP House, Museum Road,
Bangalore, Karnataka -560025, India

We have conducted the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, on the compliance of applicable statutory provisions and the adherence to good corporate practices by **GMR Pochanpalli Expressways Limited** (hereinafter called **"the Company"**) during the financial year from April 01, 2024 to March 31, 2025 **('the year'/ 'audit period'/ 'period under review').**

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this report based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company, and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has during the audit period covering the 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:

We report that, we have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company during the audit period according to the provisions of (as amended):

1. The Companies Act, 2013 **('the Act')** and the Rules made there under read with Circulars, notifications, exemptions and clarifications thereto;

2. The Securities Contracts (Regulation) Act, 1956 **('SCRA')** and the rules made there under;

3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;

4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings - ***[Not Applicable to the Company during the period under review];***

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 **('SEBI Act')** as amended: -

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011– ***[Not Applicable to the Company during the period under review];***

   (b) The Securities and Exchange Board of India (Prohibitions of Insider Trading) Regulations, 2015– {**Applicable** ***to the extent of listing of debt securities with NSE Limited during the period under review}***

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018– ***[Not Applicable to the Company during the period under review];***

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021– ***[Not Applicable to the Company during the period under review];***

   (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ***[Applicable to the extent of listing of debt securities with NSE Limited during the period under review]***;

   (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– **Applicable**

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009– ***[Not Applicable to the Company during the period under review];***

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018– ***[Not Applicable to the Company during the period under review];***

   (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015– ***[Applicable to the extent of listing of debt securities with NSE Limited during the period under review];***

VAPN & ASSOCIATES FRN P2015DE045500 Company Secretaries

6. Other laws specifically applicable to the Company, namely:
   (a) Maternity Benefits Act, 1961 and rule made thereunder;
   (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) The Arbitration and Conciliation Act, 1996
   (j) Indian Stamp Act, 1899 & State Stamp Acts
   (k) Registration Act, 1908
   (l) Contract Act, 1872
   (m) The Environment (Protection) Act, 1986
   (n) National Highways Authority of India Act, 1988
   (o) The Motor Vehicles Act 1988
   (p) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
   (q) The Air (Prevention and Control of Pollution) Act, 1981
   (r) The Water (Prevention and Control of Pollution) Act, 1974
   (s) The Hazardous Waste (Management and Handling) Rules, 1989
   (t) The Andhra Pradesh Minor Mineral Concession Rules, 1966

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

(i) The Secretarial Standards with regards to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and;

(ii) The Listing Agreement entered by the Company with NSE Limited- (***Applicable to the extent of listing of debt securities with NSE Limited during the Audit Period under review***).

During the period under review, the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Secretarial Standards etc. as mentioned above.
We further report that:

1. The Board of Directors of the Company is duly constituted with required numbers of Executive Directors, Non-Executive Directors, and Independent Directors.

2. Adequate notice is given to all directors to schedule the meetings of the Board and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

VAPN & ASSOCIATES * Company Secretaries * FRN P2015DE045500

3. As per the minutes of the meeting duly recorded and signed by the Chairman, all the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of all the Directors/ Members present during the meeting and no dissenting views have been recorded.

4. **We further report that** Based on the information provided by the Company during the Audit Period and also on the review of quarterly compliance reports by the department concerned, taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanisms exist in commensurate with its size and operations, to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines.

5. **We further report that** during the period, no major action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards, etc. above have taken place except:

   During the year under review, the Company invested in 328 Compulsorily Convertible Debentures (CCDs) of ₹10,00,000/- each, amounting to ₹32.80 Crore in GMR SEZ & Port Holdings Limited.

For VAPN & Associates
Practicing Company Secretaries
ICSI Unique Code: P2015DE045500
Peer Review Certificate No.975/2020

VAPN & ASSOCIATES * Company Secretaries * FRN P2015DE045500

Prabhakar Kumar
Partner
FCS No: 5781 |COP No: 10630
ICSI UDIN: F005781G000748151

Date: 10/07/2025
Place: New Delhi

Note: This report is to be read with letter of even date by the secretarial auditor, which is annexed as **'Annexure A'** and forms an integral part of this report

"Annexure-A"

To,
The Members,
GMR Pochanpalli Expressways Limited
CIN: U45200KA2005PLC049327
25/1, SKIP House, Museum Road,
Bangalore, Karnataka -560025, India

Our Secretarial Audit Report (Form MR-3) of even date for the audit period, is to be read along with this letter.

1. The Company's management is responsible for the maintenance of secretarial records and compliances with the relevant provisions of corporate and other applicable laws, rules, regulations, guidelines, and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.

2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.

3. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

4. While forming an opinion on compliance and issuing this report:

   (a) We have considered compliance-related action taken by the Company for the audit period.

   (b) We have taken an overall view, based on the compliance procedures and practices followed by the Company.

5. We have not verified the correctness and appropriateness of the Financial Statement (including attachments and annexures thereto), financial records, and books of accounts of the Company, as they are subject to audit by the Auditors of the Company, appointed under Section 139 of the Act.

6. We have obtained and relied on the Management's representation about the compliance of laws, rules, and regulations and happening of events, wherever required.

VAPN & ASSOCIATES
FRN
P2015DE045500
Company Secretaries

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

For VAPN & Associates
Practicing Company Secretaries
ICSI Unique Code: P2015DE045500
Peer Review Certificate No.975/2020

VAPN & ASSOCIATES FRN P2015DE045500 Company Secretaries

Prabhakar Kumar
Partner
FCS No: 5781 |COP No: 10630
ICSI UDIN: F005781G000748151

Date: 10/07/2025
Place: New Delhi

GMR POCHANPALLI EXPRESSWAYS LIMITED

CIN: U45200KA2005PLC049327

COST AUDIT REPORT

2024-25

G.R & Co.
COST ACCOUNTANT

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 Pochanpalli Expressways Limited
25/1, SKIP House,
Museum Road,
Bangalore – 560 025

I, Geetha R, having been appointed as a cost auditor under section 148(3) of companies act 2013 (18 of 2013) of GMR Pochanpalli Expressways Limited having its registered office at # 25/1, SKIP House, Museum Road, Bangalore – 560 025 (hereinafter referred to as company), have audited the cost records maintained under section 148 of the said act, in compliance with the cost audit standards for the year 2024-25 maintained by the company.

i. The audit of cost records has 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.

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

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.

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

NAME OF COST ACCOUNTANT: GEETHA.R
MEMBERSHIP NUMBER: 30294
UDIN: 2530294ZZ2KR17TPIQ

DATE: 19/07/2025
PLACE: Bengaluru

G.R & Co.
COST ACCOUNTANT

No. 259, 2nd Floor,
10th Cross, 2nd Main,
Padmanabhanagar
Bangalore -560070

Cost Accounting Policy:

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

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

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

4. The indirect expenses incurred has to be allocated to the projects by the company during 2024-25. The overheads has been allocated based on the turnover of the project.

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

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

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

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

9. The company has not incurred any abnormal costs during the year 2024-25. The other non-cost item incurred by the company has been considered as reconciliation item as the same is not incurred for the project undertaken by the company.

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

Email : cma.geethar@gmail.com

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

11. The company has not changed any cost accounting policy during the reporting period 2024-25.

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

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

Email : cma.geethar@gmail.com

Annexure to Cost Audit Report
GMR POCHANPALLI EXPRESSWAYS LIMITED
CIN:U45200KA2005PLC049327

Financial Year : 2024-25

PART-A

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

Sl.No.	Name of Product(s)/Service(s)	UOM	CETA heading (wherever applicable)	Whether covered under cost audit. Yes / No	Net Operational Revenue (net of taxes, duties etc.)	
					2024-25 Rs.	2023-24 Rs.
1	Roads and other Infrastructure projects	Projects		Yes	72,11,61,743	77,74,61,314
					-	-
						-
						-
Total net revenue from operations					**72,11,61,743**	**77,74,61,314**
Other Incomes of company					37,43,69,207	37,99,24,161
Total revenue as per financial accounts					**1,09,55,30,950**	**1,15,73,85,475**
Extra Ordinary Income, If any					73,896	8,22,255
Total revenue including Extra ordinay income					1,09,56,04,846	1,15,82,07,730
Turnover as per GST Records					93,30,72,698	1,26,75,07,557

Note-1 : Difference Between revenue as per financial and Revenue as per GST records is mainly because of sale of scrap and IND AS adjustment entries. And in GST returns, the Annuity amount receivable as per concession agreement and change of scope proceeds received from NHAI is considered, however operation income is recognised with reference to the SCA model (as carriageways is considered as a financial asset and annuity received is adjusted against the same) in Financials and change of scope proceeds have been adjusted against cost involved.

Note-2 : Previous year's figures are re-grouped / re-classified, wherever necessary to correspond with current year's classification.

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

PART-B

FOR SERVICE SECTOR

1. QUANTITATIVE INFORMATION (For each service separately)

Name of Service	**Roads and other Infrastructure projects**		
			-
Service Code (if applicable)	**UOM**	**2024-25**	**2023-24**
Particulars			
1. Available Capacity			
(a) Installed Capacity	Project	1	1
(b) Capacity enhanced during the year, if any			
(c) Total available Capacity	**Project**	**1**	**1**
2. Actual Service Provided			
(a) Own Services	Project	1	1
(b) Services under contranctual aggangements			
(c) Outsourced Services			
(d) Total Services	**Project**	**1**	**1**
3. Total services provided as per Service Tax Records		100%	100%
4. Capacity Utilization (in-house)			
5. Actual Sales	Project	1	1
(a) Service rendered - Domestic			
(b) Service rendered - Export			
(c) Total Services Rendered	**Project**	**1**	**1**

Note: The capacity details are not applicable as the company is involved in projects and the same would be considered as projects.

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

2. ABRIDGED COST STATEMENT (for each service separately)

Name of Service	Roads and other infrastructure projects			
Service Code (if applicable)	Project			
Unit of measure				
Particulars	Service Provided	Captive Consumption	Other Adjustments	Services Rendered
Current Year: 2024-25	1	-	-	1
Previous Year: 2023-24	1	-	-	1

Sl.No.	Particulars	2024-25 Amount (Rs.)	2024-25 Rate per unit (Rs.)	2023-24 Amount (Rs.)	2023-24 Rate per unit (Rs.)
1	Materials Consumed (specify details as per Para 2A)	28,04,46,835	28,04,46,835	25,41,14,952	25,41,14,952
2	Process Materials/Chemicals	-	-	-	-
3	Utilities (specify details as per 2B)	93,42,620	93,42,620	1,03,32,956	1,03,32,956
4	Direct Employees Cost	2,34,07,495	2,34,07,495	3,38,10,799	3,38,10,799
5	Direct Expenses	2,55,73,081	2,55,73,081	9,89,79,717	9,89,79,717
6	Consumable Stores and Spares	70,84,018	70,84,018	44,63,082	44,63,082
7	Repairs and Maintenance	72,65,124	72,65,124	65,91,599	65,91,599
8	Quality Control Expenses	6,71,802	6,71,802	47,686	47,686
9	Research and Development Expenses	-	-	-	-
10	Technical Know-how fee/ Royalty	-	-	-	-
11	Depreciation/Amortization	1,20,34,379	1,20,34,379	99,61,972	99,61,972
12	Other Production Overheads	-	-	-	-
13	Industry specific Operating expenses (specify details as per para 2C)	-	-	-	-
14	**Total (1 to 13)**	**36,58,25,355**	**36,58,25,355**	**41,83,02,764**	**41,83,02,764**
15	Increase/Decrease in Work-In-Progress	-	-	-	-
16	Less: Credit for Recoveries, if any	-	-	-	-
17	Primary packing Cost	-	-	-	-
18	**Cost of Production/Operations (14 + 15 to 17)**	**36,58,25,355**	**36,58,25,355**	**41,83,02,764**	**41,83,02,764**
19	Cost of Finished Goods Purchased	-	-	-	-
20	**Total Cost Of Production and Purchases (18 + 19)**	**36,58,25,355**	**36,58,25,355**	**41,83,02,764**	**41,83,02,764**
21	Increase/Decrease in Stock of Finished Goods	-	-	-	-
22	Less: Self/Captive Consumption (incl. Samples, etc.)	-	-	-	-
23	Other Adjustments (if any)	-	-	-	-
24	**Cost Of Production/Operation of Product Sold (20 + 21 to 23)**	**36,58,25,355**	**36,58,25,355**	**41,83,02,764**	**41,83,02,764**
25	Administrative Overheads	16,86,35,443	16,86,35,443	10,68,22,789	10,68,22,789
26	Secondary Packing Cost	-	-	-	-
27	Selling and Distribution Overheads	5,73,581	5,73,581	6,28,949	6,28,949
28	**Cost of Sales before Interest (24 to 27)**	**53,50,34,378**	**53,50,34,378**	**52,57,54,502**	**52,57,54,502**
29	Interest and Financing Charges	46,97,57,134	46,97,57,134	58,06,96,695	58,06,96,695
30	**Cost of Sales (28 + 29)**	**1,00,47,91,512**	**1,00,47,91,512**	**1,10,64,51,197**	**1,10,64,51,197**
31	Net Sales Realization (Net of Taxes and Duties)	72,11,61,743	72,11,61,743	77,74,61,314	77,74,61,314
32	**Margin [Profit/Loss] as per Cost Accounts (31-30)**	**(28,36,29,769)**	**(28,36,29,769)**	**(32,89,89,883)**	**(32,89,89,883)**

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

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

2A. DETAILS OF MATERIALS CONSUMED

Name of Service			Roads and other Infrastructure projects					
Service Code (if applicable)			2024-25			2023-24		
Description of materials	Category	UOM	Quantity	Rate per Unit	Amount	Quantity	Rate per Unit	Amount
Indigenous	Indigenous		1.00	28,04,46,835.00	28,04,46,835	1	25,41,14,952.00	25,41,14,952
Total			**1.00**		**28,04,46,835**	**1.00**		**25,41,14,952**

Category: Indigenous/Imported/Self Manufactured

2B. DETAILS OF UTILITIES CONSUMED

Name of Service			Roads and other Infrastructure projects					
Service Code (if applicable)			2024-25			2023-24		
Description of Utilities	Category	UOM	Quantity	Rate per Unit	Amount	Quantity	Rate per Unit	Amount
Electricity and water charges	Indigenous			-	93,42,620		-	1,03,32,956
Total			-		**93,42,620**	-		**1,03,32,956**

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

PART-D

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

Sl.No.	Particulars	2024-25			2023-24		
		Sales Rs.	Cost of Sales Rs.	Margin Rs.	Sales Rs.	Cost of Sales Rs.	Margin Rs.
1	Roads and other Infrastructure projects	72,11,61,743	1,00,47,91,512	(28,36,29,769)	77,74,61,314	1,10,64,51,197	(32,89,89,883)
	TOTAL	**72,11,61,743**	**1,00,47,91,512**	**(28,36,29,769)**	**77,74,61,314**	**1,10,64,51,197**	**(32,89,89,883)**

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

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

Sl.No.	Particulars	2024-25	2023-24
1	**Profit or Loss as per Cost Accounting Records**	**(28,36,29,769)**	**(32,89,89,883)**
	(a) For the audited product/Service groups	(28,36,29,769)	(32,89,89,883)
	(b) For the un-audited product /Service groups		-
2	**Add: Incomes not considered in cost accounts:**	**37,43,69,207**	**37,99,24,161**
	Interest Income on Bank Deposit and others	77,57,572	1,49,63,552
	Interest on loan to related parties	35,79,19,078	36,16,68,463
	Interest on compulsorily convertible debentures	9,436	
	Interest on Income Tax Refund	18,93,693	15,50,018
	Reversal of modification loss on Loan to related parties	56,17,186	
	Profit on sale of property plant and equipment	-	74,496
	Excess provision written back*	5,88,265	3,27,482
	Scrap Sale	5,83,958	12,75,280
	Other non-operating income	19	64,870
	Modification gain on service concession asset		
3	**Less: Expenses not considered in cost accounts:**	-	**1,37,48,142**
	Corporate Social Responsibility	-	62,70,000
	Advances written off	-	74,78,142
		-	-
8	Adjustments for others, if any (specify)	(5)	-
9	**Profit or (Loss) as per Financial Accounts**	**9,07,39,433**	**3,71,86,136**

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

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

Sl.No.	Particulars	2024-25	2023-24
A	**Value Addition:**		
1	Gross Sales (excluding returns)	72,11,61,743	77,74,61,314
2	Less: Excise duty, etc.	-	-
3	**Net Sales (1 - 2)**	**72,11,61,743**	**77,74,61,314**
4	Add: Export Incentives	-	-
5	Add/Less: Adjustment in Finished Stocks	-	-
6	Less: Cost of bought out inputs	-	-
	(a) Cost of Materials Consumed	28,04,46,835	25,41,14,952
	(b) Process Materials / Chemicals	-	-
	(c) Consumption of Stores & Spares	70,84,018	44,63,082
	(d) Utilities (e.g. power & fuel)	93,42,620	1,03,32,956
	(e) Others, if any	4,48,72,584	11,55,33,288
	Total Cost of bought out inputs	34,17,46,057	38,44,44,278
7	**Value Added (3 + 4 + 5 - 6)**	**37,94,15,686**	**39,30,17,036**
8	Add: Income from any other sources	37,43,69,207	37,99,24,161
9	Add: Extra Ordinary Income	73,896	8,22,255
10	**Earnings available for distribution (7 + 8 + 9)**	**75,38,58,789**	**77,37,63,452**
B	**Distribution of Earnings to:**		
11	Employees as salaries & wages, retirement benefits, etc.	2,34,07,495	3,38,10,799
12	Shareholders as dividend	-	-
13	Company as retained funds	9,07,39,433	3,71,86,136
14	Government as taxes (specify)	-	-
15	Extra Ordinary Expenses	-	-
16	Others	63,97,11,861	70,27,66,517
17	**Total distribution of earnings (11 to 16)**	**75,38,58,789**	**77,37,63,452**

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

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

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

Sl.No.	Particulars	Units	2024-25	2023-24
A.	**Financial Position:**			
1	Share Capital	Rs.	1,38,00,00,000	1,38,00,00,000
2	Reserves & Surplus	Rs.	1,65,60,20,506	1,59,91,71,827
3	Long Term Borrowings & Liabilities Note-2	Rs.	1,64,28,95,384	2,22,11,42,583
4	(a) Gross Assets *	Rs.	1,14,26,11,757	1,04,13,07,509
	(b) Net Assets **	Rs.	78,46,37,086	1,02,33,05,420
5	(a) Total Current Assets	Rs.	4,60,40,44,579	5,42,18,01,001
	(b) Less: Current Liabilities & Provisions	Rs.	1,03,77,65,775	1,24,47,92,011
	(c) Net Current Assets	Rs.	3,56,62,78,804	4,17,70,08,990
6	Capital Employed	Rs.	4,77,56,15,150	5,17,27,46,003
7	Net Worth	Rs.	3,03,60,20,506	2,97,91,71,827
B.	**Financial Performance:**			
1	Value added	Rs.	37,94,15,686	39,30,17,036
2	Net Revenue from Operations of company	Rs.	72,11,61,743	77,74,61,314
3	Profit Before Tax(PBT)	Rs.	9,07,39,433	3,71,86,136
C.	**Profitability Ratios:**			
1	PBT to Capital Employed (B3/A6)	%	1.90%	0.72%
2	PBT to Net Worth (B3/A7)	%	2.99%	1.25%
3	PBT to Value added (B3/B1)	%	23.92%	9.46%
4	PBT to Net Revenue from Operations (B3/B2)	%	12.58%	4.78%
D.	**Other Financial Ratios:**			
1	Debt-Equity Ratio		1.19	1.61
2	Current Assets to Current Liabilities		4.44	4.36
3	Valued Added to Net Revenue From Operations	%	52.61%	50.55%
E.	**Working Capital Ratios:**			
1	Raw Materials Stock to Consumption	Months	9.20	7.29
2	Stores & Spares to Consumption	Months	0.23	0.13
3	Finished Goods Stock to Cost of Sales	Months	-	-

Notes:

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

		FY : 2024-25	FY : 2023-24
i. a) Tangible Fixed Assets (Gross)	Rs.	1,77,36,886	1,73,08,547
b) Tangible Fixed Assets (Net)	Rs.	57,48,151	72,54,796
ii. a) Intangible Assets (Gross)	Rs.	3,32,14,204	3,32,14,204
b) Intangible Assets (Net)	Rs.	1,52,28,268	2,52,65,864
iii. Investments	Rs.	32,80,00,000	-
iv. Income tax assets (net)	Rs.	-	-
v. Other financial assets	Rs.	3,44,18,582	21,17,52,757
vi. Other non-current assets etc	Rs.	72,92,42,085	77,90,32,001
*** Total Gross Assets [i(a) + ii(a) + (iii to vi)]**	Rs.	**1,14,26,11,757**	**1,04,13,07,509**
**** Total Net Assets [i(b) + (iv to vi)]**	Rs.	**78,46,37,086**	**1,02,33,05,420**

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

		FY : 2024-25	FY : 2023-24
i. Long term borrowings	Rs.	87,74,34,163	1,32,42,38,526
ii. Long term provisions	Rs.	69,28,19,665	80,89,23,605
iii. Lease liabilities	Rs.	63,46,820	1,71,59,361
iv. Other long term liabilities etc.	Rs.	6,62,94,736	7,08,21,091
Total	Rs.	**1,64,28,95,384**	**2,22,11,42,583**

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

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

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

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

2024-25

(Amount in Indian Rupees)

Sl.No.	Name & Address of the Related Party	Details of Related Party	Name of the Product / Service Group	Nature of Transaction (Sale, Purchase, etc.)	Transfer Price	Amount	Normal Price	Basis adopted to determine the Normal Price
1	GMR Highways Limited (GHWL)	CIN: U45203MH2006PLC287171 PAN: AADCG9020E Country: India	Monthly Maintenance of Highways	Service Rendered	7,13,14,022	7,13,14,022	7,13,14,022	Arms length Price
2	GMR Highways Limited (GHWL)	CIN: U45203MH2006PLC287171 PAN: AADCG9020E Country: India	scope work reimbursed	Service Rendered	5,28,77,449	5,28,77,449	5,28,77,449	Arms length Price
3	GMR Highways Limited (GHWL)	CIN: U45203MH2006PLC287171 PAN: AADCG9020E Country: India	Periodic maintenance of Highways not	Service Rendered	5,55,18,928	5,55,18,928	5,55,18,928	Arms length Price
4	Raxa Security Services Limited (RSSL)	CIN: U74920KA2005PLC036865 PAN: AADCR0713K Country: India	Charges for Security & Toll management	Service Rendered	1,13,37,807	1,13,37,807	1,13,37,807	Arms length Price
5	GMR Highways Limited (GHWL)	CIN: U45203MH2006PLC287171 PAN: AADCG9020E Country: India	Unwinding Interest on Periodic	Service Rendered	1,69,60,045	1,69,60,045	1,69,60,045	Arms length Price
6	GMR Enterprises Private Limited [GEPL]	CIN: U74900TN2007PTC102389 PAN: AACCG8619E Country: India	Trademark & Logo fees	Service Rendered	21,63,485	21,63,485	21,63,485	Arms length Price.
7	Delhi International Airports Limited [DIAL]	CIN: U63033DL2006PLC146936 PAN: AACCD3570F Country: India	Electricity & Maintenance	Service Rendered	1,17,88,699	1,17,88,699	1,17,88,699	Arms length Price
8	GMR Power and Urban Infra Limited [GPUIL]	CIN: L45400MH2019PLC325541 PAN: AAHCG8251F Country: India	Share of Corporate Common	Service Rendered	72,86,722	72,86,722	72,86,722	Arms length Price
9	GMR Highways Limited (GHWL)	CIN: U45203MH2006PLC287171 PAN: AADCG9020E Country: India	Periodic maintenance of Highways	Service Rendered	19,57,37,631	19,57,37,631	19,57,37,631	Arms length Price
10	GMR Highways Limited (GHWL)	CIN: U45203MH2006PLC287171 PAN: AADCG9020E Country: India	Reimbursement of IT Support Services &	Service Rendered	8,96,809	8,96,809	8,96,809	Arms length Price
11	GMR Highways Limited (GHWL)	CIN: U45203MH2006PLC287171 PAN: AADCG9020E Country: India	Reimbursement of Repairs and Maintenance	Service Rendered	29,94,580	29,94,580	29,94,580	Arms length Price
12	GMR HYDERABAD VIJAYAWADA EXPRESSWAYS PRIVATE LIMITED	CIN: U45201KA2009PTC050109 PAN: AADCG4831D Country: India	Purchase of fixed assets	Purchase of Assets	5,650	5,650	5,650	Arms length Price
13	GMR HYDERABAD VIJAYAWADA EXPRESSWAYS PRIVATE LIMITED	CIN: U45201KA2009PTC050109 PAN: AADCG4831D Country: India	Purchase of O&M stores and spares	Purchase of Assets	86,15,202	86,15,202	86,15,202	Arms length Price
	TOTAL					43,74,97,029		

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

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

2024-25

Sl.No	Particulars	Assessable Value Rs.	IGST Rs.	CGST Rs.	SGST Rs.	Cess Rs.
A.	**Duties/Taxes payable**					
	Goods and Services Tax					
1	Outward taxable supplies (other than zero rated, nil rated and exempted)	93,30,72,698	1,05,112	8,39,23,987	8,39,23,987	
2	Outward taxable supplies (zero rated)		-		-	
3	Other outward supplies (Nil rated, exempted)	-	-		-	
4	Inward supplies (liable to reverse charge)	78,19,902	10,36,822	73,399	73,399	
5	Non-GST outward supplies	-	-		-	
6	**Total Duties/Taxes Payable (1 to 5)**	**94,08,92,600**	**11,41,934**	**8,39,97,386**	**8,39,97,386**	-
B.	**Duties/Taxes Paid**					
7	Total IGST Utilized		1,05,112	53,93,664	53,93,664	-
8	Total CGST Utilized		-	3,07,76,310	-	-
9	Total SGST Utilized		-	-	3,07,76,310	-
10	**Total (7 to 9)**		**1,05,112**	**3,61,69,974**	**3,61,69,974**	-
11	Paid through PLA/Cash		10,36,822	4,78,27,412	4,78,27,412	-
12	**Total Duties/Taxes Paid (10 + 11)**		**11,41,934**	**8,39,97,386**	**8,39,97,386**	-
13	Duties/Taxes Recovered		0	-0	-0	-
14	Difference between Duties/Taxes paid and Recovered		-	-	-	-
15	Interest/Fines/Penalty Paid		-	-	-	-

Cost Auditor

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

Geetha R
Membership No. 30294

Place: Bengaluru
Date: 19-07-2025

For GMR POCHANPALLI EXPRESSWAYS LIMITED

Arun Kumar Sharma
Director
DIN: 02281905

Place: New Delhi
Date: 19-07-2025

Annexure - V

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.	**Name(s) of the related party & nature of relationship**	GMR Highways Limited, Holding Company	Mr. O. Bangaru Raju, Director of Holding Company
(a)	**Nature of contracts / Arrangements / transactions**	3rd Major Maintenance Works	Appointed as President (operations)
(b)	**Duration of the contracts / arrangements / transactions**	5 years	Continuing
(c)	**Salient terms of the contracts or arrangements or transaction including the value, if any**	3rd Major Maintenance Agreement executed with effect from April 01, 2024 at an estimated value of ₹ 130 Crore for which accounting provision of ₹ 26 Crore per year will be made in the books of accounts.	Appointed as President (Operations) of the Company w.e.f. May 01, 2019 at a remuneration on CTC basis of upto ₹ 2,00,00,000/- p.a. and subsequently w.e.f. May 01, 2020, remuneration, on CTC basis, increased to upto ₹ 3,40, 00, 000/- p.a by way of salary, dearness allowance, perquisites, VPP and other allowances as per HR policy and the annual increments will be effective 1st July each year.
(d)	**Justification for entering into such contracts or arrangements or transactions'**	As the works to be undertaken and completed within a period of 5 years, the other contractors were not willing to give a firm quote at the time of Board approval. Accordingly, the Company entered into an agreement with GMR Highways Limited for carrying out this work.	With his vast experience, Mr. O. Bangaru Raju 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.
(e)	**Date of approval by the Board**	18.06.2020	07.05.2019 and 18.06.2020
(f)	**Amount paid as advances, if any**	NIL	Nil
(g)	**Date on which the special resolution was passed in general meeting as required under first proviso to section 188**	16.07.2020	15.05.2019 and 16.07.2020

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

For and on behalf of the Board

Sd/-
Arun Kumar Sharma
Director
DIN: 02281905

Sd/-
Bajrang Lal Gupta
Director
DIN: 07175777

Date: 19/07/2025
Place: New Delhi

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GMR POCHANPALLI EXPRESSWAYS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **GMR POCHANPALLI EXPRESSWAYS LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the standalone financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 opinion on the standalone financial statements.

Emphasis of Matters

We draw attention to Note no. 32 to the accompanying standalone financial statements with regard to non-giving effect to the order of the Honourable High Court of Delhi dated April 06, 2022 by upholding Company's contentions, with regard to applicability of overlay work only on increase in roughness index of roads, pending finality. We are informed that the National Highways Authority of India (NHAI) has already challenged the order in the appellate Court, in view of the matter being sub-judice and pending finality and clarity, the Company has not given financial effect to the impact of the order.

Our opinion is not modified in respect of above matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Provision for periodic major maintenance

➢ Provision for periodic major maintenance of project roads requires technical evaluations and critical accounting estimates and judgments.

We have obtained an assurance over the appropriateness of management's assumptions and methods applied in the calculating the provision for periodic major maintenance by carrying out the following procedures, amongst others:

- Obtained the management's calculation of the provision for periodic major maintenance of project roads which is made in accordance with technical evaluation and the Company's policy and checked the assumptions made by the management and discussed with its technical team.
- We have perused agreement entered between the parties concerned for major maintenance.
- We have also considered the appropriateness of the provision based on the Company's historical experience by evaluating the managements' assumptions against provision for periodic major maintenance of project roads with reference to historical track record.
- We have discussed with those in charged with governance and perused the legal opinion on the implications of the Order of Hon'ble High Court of Delhi on the carrying amount of provision in the books and requirements of reversals if any.
- Performed discussion with those charged with governance with regard to the significant management judgement that has been considered in assessing appropriateness and adequacy of the provision made in books in this regard.
- Ensured appropriateness of the disclosures in the standalone financial statements in accordance with the relevant requirements of Ind As.

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MUMBAI

Information other than the standalone Financial Statements and Auditor's Report thereon

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

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the report containing other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibility of the Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 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 standalone financial statement 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, the management of the Company 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 the management of the Company either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so..

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 Standard on Auditing (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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

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CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Act, we give in the 'Annexure A', a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, based on our audit 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 Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;

    e) The matters described in the Emphasis of Matters, in our opinion, may not have an adverse effect on the functioning of the Company;

    f) On the basis of the written representations received from the directors as on March 31, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

    g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B';

    h) 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 to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors and manager during the year is in accordance with the provisions of section 197 of the Act.;

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CHATURVEDI & SHAH LLP MUMBAI

i) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position to the extent quantifiable in its standalone financial statements – Refer Note Nos. 31 to 33 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note No. 37 to the standalone financial statements;

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

iv. a) Management has represented to us that, to the best of it's 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 persons or entities, 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) Management has represented to us that, to the best of it's 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.

c) Based on our audit procedures conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management as mentioned above under paragraph (2)(i)(iv) (a) & (b) contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year

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vi. As stated in Note 1.5 to the financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on April 01, 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature was not enabled at the database level upto 24 May 2024. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with respect of the accounting software where such feature is enabled and logs maintained. The audit trail feature has been preserved by the Company as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting software.

for CHATURVEDI & SHAH LLP
Chartered Accountants
Firm Registration Number: 101720W / W100355

Lalit R Mhalsekar
Partner
Membership Number: 103418

UDIN: 25103418BMJELL3246

Place: New Delhi
Date: April 21, 2025

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of GMR POCHANPALLI EXPRESSWAYS LIMITED of even date]

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

i) In respect of the Company's property, plant and equipment, right of use assets and intangible assets:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment (PPE).

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) The Company has a regular program of physical verification of its Property Plant and Equipment (PPE) by which PPE are verified every three years, in accordance with this program, the PPE were verified during FY 2023-24 and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) The company does not own any freehold immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) and the Company does not have any lease/sublease deed on leasehold land registered in the name of the company.

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii) a) In our opinion, physical verification of the inventories have been conducted at reasonable intervals by the management having regard to the size and nature of business of the Company and nature of its inventory, the coverage and procedures of such verification by the management is appropriate. On the basis of the records examined by us, the value of the discrepancies noticed on physical verification by management did not exceed 10% or more in aggregate of each class of inventory.

b) The Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under Paragraph 3 (ii) (b) of the Order is not applicable.

iii) On the basis of our examination of the records of the Company, the Company has not granted interest bearing unsecured loans to bodies corporate during the year. The company during the year has made investments in one body corporate by converting existing loan along with interest accrued thereon. During the year the Company has not provided any guarantee or security to companies, firms, limited liability partnerships or any other parties other than unsecured loan to bodies corporate as mentioned above.

Contd... 2

a) On the basis of our examination of the records of the Company, we state that the:

A) Details of loan granted to subsidiaries, joint ventures and associates:

Nature of parties	Aggregate amount of loans granted during the year	Balance outstanding as at balance sheet date in respect of loans granted
Associates/Fellow subsidiaries	Rs. Nil	Rs.443.53 Lakhs

As represented to us, the Company has not provided guarantees or security to subsidiaries, joint ventures, and associates

B) Details of loan granted to parties other than subsidiaries, joint ventures and associates:

Nature of parties	Aggregate amount of loans granted during the year	Balance outstanding as at balance sheet date in respect of loans granted
Promoters	Rs.Nil	Rs.23,960.48 Lakhs

As represented to us, the Company has not provided guarantees or security to parties other than subsidiaries, joint ventures, and associates

b) In our opinion and on the basis of our examination of the records of the Company, the terms and conditions on which the loans had been granted, investment made were not, prima facie, prejudicial to the company's interest. The Company, during the year has not provided guarantees or security to parties.

c) In our opinion and on the basis of our examination of the records of the Company, in respect of loans granted, the schedule of repayment of principal and payment of interest has been stipulated in the original/renewal agreements. In respect of repayment of the principal, in case of four parties, the principal amount when it is due for payment has not been paid and has been renewed/extended/fresh loans granted to the same parties aggregating to Rs.24,404.01 Lakhs and interest accrued thereon of Rs.12,071.75 Lakhs as on March 31, 2025 is pending recovery.

d) In our opinion and on the basis of our examination of the records of the Company, there were no overdue amounts remaining outstanding at the year end for more than ninety days.

e) In our opinion and on the basis of our examination of the records of the Company, the loans granted to bodies corporate has been renewed/extended/fresh loan granted to the same parties aggregating to Rs.24,404.01 Lakhs and the percentage of the aggregate to the loans granted during the year is 100% with interest accrued there on at the time of renewal was Rs.12,071.75 Lakhs. The party-wise details are given below:

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Name of the party	Aggregate amount of existing loans renewed or extended or settled by fresh loans (Rs. in Lakhs)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
GMR Highways Limited	11,809.92	43.89%
GMR Power and Urban Infra Limited	12,150.56	49.79%
GMR Ambala Chandigarh Expressways Private Limited	266.53	1.09%
Dhruvi Securities Private Limited	177.00	0.73%

f) In our opinion and on the basis of our examination of the records of the Company, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment, hence requirement of paragraph 3 (iii) (f) is not applicable.

iv) The Company, during the year, has not given any loans, made investments, guarantees and security to the parties covered under section 185 of the Act. Further, the Company is an infrastructure Company and accordingly section 186 of the Act is not applicable. Consequently, requirement of paragraph 3(iv) of the Order is not applicable to the Company.

v) The Company has not accepted any deposits and amounts which are deemed to be deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). There are no orders from Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal. Accordingly, the provision of paragraph 3(v) of the Order is not applicable to the Company.

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 made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii) a) In our opinion, the Company during the year has generally been regular in depositing the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including employee's state insurance, provident fund, income-tax, goods and service tax, cess and other material statutory dues as applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of provident fund, employees' state insurance, goods and service tax, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable. Refer Note no. 38 of the standalone financial statements on provision for income tax created under Section 115JB of the Income Tax Act, 1961.

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b) There are no dues of income tax, goods and service tax or cess or other material statutory dues which have not been deposited on account of any dispute except the following:

Nature of Statute	Nature of dues	Years to which it pertains	Amount under dispute	Forum where dispute is pending
Income tax Act, 1961	Disallowance of certain expenses and deductions, non-grant of deduction under section 80IA, section 80G and non-grant of set off of brought forward losses etc.	AY 2020-21	Rs.132.61 Lakhs	CIT (Appeals) Bangalore
Goods and Service Tax Act, 2017	Demand of CGST and SGST on annuity payments received from the NHAI as deferred payments under the Build-Operate-Transfer (BOT) model, classifying works contract services under SACS 9954, and imposing a penalty and interest	Period from September 2017 to September 2022	Rs.7,509.35 Lakhs (including penalty)	The Company is in the process of filing a writ petition before the appropriate authority to challenge the order dated February 26, 2025, as the three-month appeal deadline has not yet passed.

viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix) a) The Company has not taken any loan or other borrowing from any lender. Hence reporting under paragraph 3(ix)(a) of the Order is not applicable.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence requirement of paragraph 3(ix)(c) of the Order is not applicable to the Company.

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d) On an overall examination of the financial statements of the Company, the Company has not raised any fresh short-term funds during the year hence requirement of paragraph 3(ix)(d) of the Order is not applicable to the Company

e) On 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 or joint ventures hence, requirement of paragraph 3(ix)(e) of the Order is not applicable to the Company.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies hence requirement of paragraph 3(ix)(f) of the Order is not applicable to the Company.

x) a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) hence requirement of paragraph 3(x)(a) of the Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, hence requirement of paragraph 3(x)(b) of the Order is not applicable to the Company.

xi) a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

b) No report under sub-section 12 of section 143 of the Act has been filed by the cost auditors or secretarial auditors or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up-to the date of this report.

c) There are no whistle blower complaints received by the Company during the year.

xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

xiii) In our opinion, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv) a) In our opinion, the Company has adequate internal audit system commensurate with the size and nature of its business.

b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv) The Company has not entered into any non-cash transactions with directors or persons connected to its directors and hence provision of Section 192 of the Act is not applicable to the Company.

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CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

xvi) a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) (a) of the Order is not applicable.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934. Accordingly, paragraph 3(xvi) (b) of the Order is not applicable.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi) (c) of the Order is not applicable.

d) As represented by the management of the Company, the Group has one Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xvii) of the Order is not applicable.

xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our review of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not 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) The Company does not have any unspent amount in respect of other than ongoing projects, which is required to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

b) In our opinion, the Company does not have any unspent amount in respect of ongoing projects, which is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, paragraph 3(xx)(b) of the Order is not applicable.

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CHARTERED ACCOUNTANTS

xxi) In our opinion, Company is not required to prepare the consolidated financial statement under sub section 3 of section 129 of the Act. Therefore, provisions of Paragraph 3 (xxi) of the Order is not applicable to the Company.

for CHATURVEDI & SHAH LLP
Chartered Accountants
Firm Registration Number: 101720W / W100355

Lalit R Mhalsekar
Partner
Membership Number: 103418

UDIN: 25103418BMJELL3246

Place: New Delhi
Date: April 21, 2025

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of GMR POCHANPALLI EXPRESSWAYS LIMITED of even date]

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **GMR POCHANPALLI EXPRESSWAYS LIMITED** ("the Company") as of March 31, 2025 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal controls 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 (the 'Guidance Note'). 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to Standalone Financial Statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 Standalone 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 with reference to Standalone Financial Statements.

Contd... 2

Meaning of Internal Financial Controls with reference to standalone financial statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements 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 Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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 Standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to the standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the criteria for internal control with reference to financial statements 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 CHATURVEDI & SHAH LLP
Chartered Accountants
Firm Registration Number: 101720W / W100355

Lalit R Mhalsekar
Partner
Membership Number: 103418

UDIN: 25103418BMJELL3246

Place: New Delhi
Date: April 21, 2025

GMR POCHANPALLI EXPRESSWAYS LIMITED

CIN U45200KA2005PLC049327

BALANCE SHEET AS AT MARCH 31, 2025

Rupees in Lakhs

Particulars	Note	March 31, 2025	March 31, 2024
ASSETS			
Non-current Assets			
Property, plant and equipment	2	57.48	72.55
Other intangible assets	3	7.07	10.72
Right of use Assets	4	145.22	241.94
Financial Assets			
Investments	5	3,280.00	-
Other financial assets	7	344.19	2,117.53
Other non-current assets	8	7,292.42	7,790.32
Total Non-Current Assets		**11,126.38**	**10,233.06**
Current Assets			
Inventories	9	81.64	21.19
Financial Assets			
Cash and cash equivalents	10	3,451.62	5,749.50
Bank balances other than above	11	-	300.00
Loans	6	24,404.01	26,914.01
Other financial assets	7	16,798.68	17,702.00
Other current assets	8	1,304.49	3,531.33
Total Current Assets		**46,040.44**	**54,218.03**
TOTAL ASSETS		**57,166.82**	**64,451.09**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	13,800.00	13,800.00
Other equity	13	16,560.22	15,991.73
Total Equity		**30,360.22**	**29,791.73**
LIABILITIES			
Non-current Liabilities			
Financial Liabilities			
Borrowings	14	8,774.34	13,242.39
Lease Liabilities	15	63.47	171.59
Provisions	16	6,928.20	8,089.23
Other non-current liabilities	19	662.95	708.21
Deferred tax liabilities (net)	20	-	-
Total Non-current Liabilities		**16,428.96**	**22,211.42**
Current Liabilities			
Financial Liabilities			
Borrowings	14	4,835.30	4,989.31
Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	17	8.05	35.02
b) Total outstanding dues of creditors other than (a) above	17	1,244.63	1,091.30
Lease Liabilities	15	108.13	88.64
Other financial liabilities	18	423.00	638.84
Other current liabilities	19	1,067.57	1,154.43
Provisions	16	1,593.75	3,270.54
Current tax liabilities (net)	20	1,097.21	1,179.86
Total Current Liabilities		**10,377.64**	**12,447.94**
TOTAL EQUITY AND LIABILITIES		**57,166.82**	**64,451.09**
Material accounting policies	1		

The accompanying notes form an integral part of the standalone financial statements.

As per our review report of even date attached
For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number : 101720W / W100355

Lalit R Mhalsekar
Partner
Membership No.: 103418

Date : April 21, 2025
Place : New Delhi

For and on behalf of the Board of Directors of
GMR Pochanpalli Expressways Limited

Arun Kumar Sharma
Director
DIN: 02281905

Bajrang Lal Gupta
Director
DIN: 07175777

Amit Kumar
Chief Financial Officer
Membership no. 500164

Paramjeet Singh
Company Secretary
Membership no. A18789

Date : April 21, 2025
Place : New Delhi

CIN - U45200KA2005PLC049327

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

Rupees in Lakhs

Particulars	Note	March 31, 2025	March 31, 2024
INCOME			
Revenue from operations	21	7,211.62	7,774.61
Other income	22	3,743.69	3,799.24
Total Income		**10,955.31**	**11,573.85**
EXPENSES			
Operating expenses	23	2,804.47	2,541.15
Employee benefits expense	24	1,031.31	871.92
Other expenses	25	1,394.21	1,882.31
Total Expenses		**5,229.99**	**5,295.38**
Earnings before finance cost, tax, depreciation and amortisation expenes (EBITDA)		**5,725.32**	**6,278.47**
Finance costs	26	4,697.58	5,806.98
Depreciation and amortization expense	27	120.34	99.62
Profit before tax		**907.40**	**371.87**
Tax Expense:			
Current Tax	20	767.56	441.44
Deferred tax	20	-	-
Income tax for earlier years (net of reversals)	20	(427.91)	-
		339.65	**441.44**
Profit/(loss) for the year		**567.75**	**(69.57)**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss in subsequent periods:			
Re-measurement gains (losses) on defined benefit plans		0.74	8.22
Income tax effect		-	-
Other comprehensive income/(expenses) for the year, net of tax		**0.74**	**8.22**
Total comprehensive income for the year		**568.49**	**(61.35)**
Earnings per equity share: (face value of equity shares of Rs.10 each)			
Basic	28	0.41	(0.05)
Diluted	28	0.41	(0.05)
Material accounting policies	1		

The accompanying notes form an integral part of the standalone financial statements.

As per our review report of even date attached
For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number : 101720W / W100355

Lalit R Mhalsekar
Partner
Membership No.: 103418

Date : April 21, 2025
Place : New Delhi

For and on behalf of the Board of Directors of
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Amit Kumar
Chief Financial Officer
Membership no. 500164

Paramjeet Singh
Company Secretary
Membership no. A18789

Date : April 21, 2025
Place : New Delhi

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

A. Equity Share Capital

Rupees in Lakhs

Particulars	Note	March 31, 2025	March 31, 2024
Balance at the beginning of the year	12	13,800.00	13,800.00
Changes in equity share capital during the year	12	-	-
Balance at the end of the year	**12**	**13,800.00**	**13,800.00**

B. Other Equity

Rupees in Lakhs

Particulars	Equity component of financial instruments - preference shares	Reserves and surplus		Total [Refer Note No.13]
		Debenture redemption reserve	Retained earnings	
Changes in equity for the year ended March 31, 2024				
Balance as at April 1, 2023	3,620.95	9,259.44	3,172.69	16,053.08
Profit/(loss) for the year			(69.57)	(69.57)
Other comprehensive income				
Re-measurement gains/(loss) on defined benefit plans			8.22	8.22
The accompanying notes form an integral part of the Ind AS financial statements.				
Balance as at March 31, 2024	**3,620.95**	**9,259.44**	**3,111.34**	**15,991.73**
Changes in equity for the year ended March 31, 2025				
Balance as at April 1, 2024	3,620.95	9,259.44	3,111.34	15,991.73
Profit/(loss) for the year			567.75	567.75
Other comprehensive income				
Re-measurement gains/(loss) on defined benefit plans			0.74	0.74
The accompanying notes form an integral part of the Ind AS financial statements.				
Balance as at March 31, 2025	**3,620.95**	**9,259.44**	**3,679.83**	**16,560.22**

The accompanying notes form an integral part of the standalone financial statements.

As per our review report of even date attached
For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number : 101720W / W100355

Lalit R Mhalsekar
Partner
Membership No.: 103418

Date : April 21, 2025
Place : New Delhi

For and on behalf of the Board of Directors of
GMR Pochanpalli Expressways Limited

Arun Kumar Sharma
Director
DIN: 02281905

Bajrang Lal Gupta
Director
DIN: 07175777

Amit Kumar
Chief Financial Officer
Membership no. 500164

Paramjeet Singh
Company Secretary
Membership no. A18789

Date : April 21, 2025
Place : New Delhi

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited

CIN - U45200KA2005PLC049327

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
A CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	**907.40**	**371.87**
Adjustments For :		
Depreciation and amortisation	120.34	99.62
Interest and finance charges	4,697.58	5,806.98
Major maintenance expenses	(1,062.35)	2,250.30
Profit on sale of property plant and equipment	-	(0.74)
Advances written off	-	74.78
Reameasurements of defined benefit plans	0.74	8.22
Interest Income on bank deposit and others	(3,656.86)	(3,766.32)
Reversal of modification loss on Loan to related parties	(56.17)	-
Excess provision written back	(5.88)	(3.27)
	944.80	4,841.44
Adjustments for Movement in Working Capital:		
Decrease / (increase) in financial assets	(1,701.06)	(63.19)
Decrease / (increase) in other current/non-current assets	1,587.87	(142.99)
Decrease / (increase) in Inventories	(60.45)	(6.06)
Increase / (decrease) in trade payables	(1,485.30)	(1,295.89)
Increase / (decrease) in other current/non-current liabilities	(28.77)	(27.09)
Increase / (decrease) in Provision	(327.53)	(1,863.55)
Cash From/(used In) Operating activities	(1,070.44)	1,442.67
Tax (paid)/refund	(422.30)	(349.57)
Net Cash From/(used In) Operating activities	**(1,492.74)**	**1,093.10**
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment and intangible assets	(4.90)	(29.78)
Sale of property, plant and equipment	-	0.75
Interest Income on bank deposit and others	1,306.88	690.50
Decrease/(increase) in Other Bank Balance	(24.61)	2,133.97
Annuity received (net of payment) under service concession agreement	4,379.21	2,758.91
Cash From/(used In) Investing Activities	**5,656.58**	**5,554.35**
C CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of debentures	(4,996.00)	(4,566.00)
Payment of Lease Liability	(112.43)	(78.43)
Interest and finance charges paid	(1,353.29)	(1,820.84)
Cash From/(used In) Financing Activities	**(6,461.72)**	**(6,465.27)**
D Net Increase / decrease in Cash and Cash Equivalents [A+B+C]	**(2,297.88)**	**182.18**
Cash and Cash Equivalents as at beginning of the year	5,749.50	5,567.32
Cash and Cash Equivalents as at end of the year	**3,451.62**	**5,749.50**

CHATURVEDI & SHAH LLP * MUMBAI * CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited

CIN - U45200KA2005PLC049327

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Components of Cash and Cash Equivalents:		
Cash in hand	0.95	0.10
Balances with banks		
- Current account	95.67	1,557.82
- Fixed deposits	3,355.00	4,191.58
Total	**3,451.62**	**5,749.50**

Notes :

1 The above statement of cash flows has been prepared under the 'Indirect Method' as set out in the Ind AS-7 on Statement of Cash Flows as

2 Changes in liabilities arising from financing activities

Rupees in Lakhs

Particulars	Opening Balance	Non-cash / accruals / fair value changes	Cash flows - repayments	Closing Balance
For the year ended March 31, 2025				
Liability portion of preference shares	3,437.88	367.25	-	3,805.13
Long-term external borrowings	14,793.82	6.69	(4,996.00)	9,804.51
Interest accrued on long-term external borrowings	638.84	1,059.03	(1,274.87)	423.00
Lease liability	260.23	23.80	(112.43)	171.60
For the year ended March 31, 2024				
Liability portion of preference shares	3,105.21	332.67	-	3,437.88
Long-term external borrowings	19,350.22	9.60	(4,566.00)	14,793.82
Interest accrued on long-term external borrowings	836.32	1,515.59	(1,713.07)	638.84
Lease liability	275.23	63.43	(78.43)	260.23

3 The previous year figures have been regrouped and rearranged wherever necessary.

The accompanying notes form an integral part of the standalone financial statements.

As per our review report of even date attached

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number : 101720W / W100355

Lalit R Mhalsekar
Partner
Membership No.: 103418

Date : April 21, 2025
Place : New Delhi

For and on behalf of the Board of Directors of
GMR Pochanpalli Expressways Limited

Arun Kumar Sharma
Director
DIN: 02281905

Bajrang Lal Gupta
Director
DIN: 07175777

Amit Kumar
Chief Financial Officer
Membership no. 500164
Date : April 21, 2025
Place : New Delhi

Paramjeet Singh
Company Secretary
Membership no. A18789

CHATURVEDI & SHAH LLP * MUMBAI * CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited

1 **Company Overview and Material Accounting Policies:**

1.1 **Company Overview**

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

The Company is public limited company incorporated and domiciled in India and has its registered office at 25/1, Skip House, Museum Road, Bangalore, Karnataka - 560025. The Company has principal place of business at Toopran, Andhra Pradesh .
The Company's Holding Company is GMR Highways Limited while ultimate Holding Company is GMR Power & Urban Infra Limited /GMR Enterprises Private Limited.
The financial statements of the Company for the year ended March 31, 2025 were authorised for issue in accordance with a resolution of the Board of Directors on April 21, 2025.

1.2 **Material accounting policies**

The material 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.

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 standalone financial statements are presented in 'IndianRupees' (INR) which is also the Company's functional currency and all values are disclosed to the nearest Rupees in Lakhs with two decimals (INR 00,000.00), except when otherwise indicated.

Summary of material accounting policies

a) **Use of estimates**

The preparation of these financial statements in conformity with the recognition and measurement principles of IND AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and the disclosure of contingent liabilities at the end of the reporting period and revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

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

b) **Current versus non-current classification**

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

An asset has been classified as current if

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

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

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

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

A liability has been classified as current when

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

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

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

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

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

c) **Fair value measurement**

The Company 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.

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.

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited

1 Company Overview and Material Accounting Policies:

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company 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

Revenue from operations:

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

Effective from April 01, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to the contracts that were not completed as of April 01, 2018. In accordance with the cumulative catch up transition method, the comparatives have not been retrospectively adjusted and continues to be reported as per Ind AS 18 "Revenue".

Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. Revenue is recognized upon transfer of control of promised products or services to customers. To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

The revenue is recognised when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the products or services is transferred to a customer.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are initially recognised as revenue earned on account of service concession arrangements where revenue is recognised over the period of time as receipt of consideration is conditional on successful completion of performance obligations such as periodic maintenance services under the service concession arrangements. Once the performance obligation is fulfilled, the contract assets are classified as receivable under service concession arrangements.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Amount received from customer as per the half yearly annuity stipulated under the service concession arrangements to recognise revenue once the periodic maintenance services is completed and performance obligations are achieved.

Finance income and other income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

On disposal of current investments, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss. Such income is included under the head "other income" in the statement of profit and loss.

Dividend income is accounted for in the year in which the right to receive the same is established by the reporting date.

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited

1 **Company Overview and Material Accounting Policies:**

e) **Property, Plant & Equipment**

Property, Plant & 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 significant accounting judgements, estimates and assumptions and provisions for further information about the recorded decommissioning provision.

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

Further, When each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied.

Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

Machinery spares which are specific to a particular item of PPE and whose use is expected to be irregular are capitalized as fixed assets.

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

Depreciation on PPE 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 equipment	4-15 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8-10 years
Computers	3 years
Servers and Networks	6 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.

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

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

h) **Taxes**

Tax expense comprises current and deferred tax.

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

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

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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 after tax holiday period, 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 carry forward of 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.

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) **Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

The Company is the lessee

Right-of-use assets

Till year ended March 31, 2019, assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

For any new contracts entered into on or after April1 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

The Company enters into leasing arrangements for office premises. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist. At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset. The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

The Company is the lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

1 **Company Overview and Material Accounting Policies:**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

There is no transitional effect on adoption of Ind AS 116 as at April 1, 2019.

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 tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

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

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

m) **Provisions, contingent liabilities, contingent assets and capital commitments**

Contingent Liabilities

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

Provisions

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

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

n) **Retirement and other Employee Benefits**

Short term employee benefits and defined contribution plans.

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

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

The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. if the contribution already paid exceeds the contribution due 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.

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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.

i) Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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

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b) Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

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

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

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

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

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

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

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

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

ii) 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.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to off set the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered in to and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of profit or loss.

Embedded Derivative financial instruments

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

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1 Company Overview and Material Accounting Policies:

p) **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and in hand and the short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank Overdrafts are shown with in borrowings under Current Liabilities in the Balance Sheet.

For the purpose of the statement of cashflows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

q) **Foreign currencies**

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

In preparing the financial statements, transactions in the currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

r) **Earnings 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.

s) **Corporate Social Responsibility Expenditure**

The Company charges its Corporate Social Responsibility Expenditure during the year, to the Statement of Profit and Loss.

t) **Non-current assets held for sale/ disposal**

The Company classifies non-current assets as held for sale/ disposal if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

a) The appropriate level of management is committed to a plan to sell the asset,

b) An active programme to locate a buyer and complete the plan has been initiated,

c) The asset (or disposal group)is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

d) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

e) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the standalone balance sheet.

1.3 Key accounting judgements, estimates and assumptions

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

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

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

I) Critical Accounting Estimates and Assumptions :

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

a) Income tax

Significant management judgement is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies considering the tax holiday period available to infrastructure undertaking. Refer note no.20.04

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b) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note no.29 for further disclosures.

c) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events. [Refer note no.31]

d) Defined benefit plans (gratuity benefits)

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

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

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

ii) Significant judgements :

a) Provision for periodic maintenance (overlay activities)

As per the terms of concession agreement, the Company is required to carry out periodic major maintenance of project roads once in every five years which requires technical evaluation and critical assumptions, accounting estimates and judgements. The management has estimated the cost to be incurred on such periodic maintenance to recognise the provision as per the requirements of Ind AS 37. Further details are given in note no.16

b) Expected Credit Loss on Loans:

With respect to loans and deposits given to Group Companies, the Company has not considered any increase in credit risk, considering the assurances through support letters given by the Holding Company to pay the amount inspite of cases of delay in payments by the Group Companies. The expected credit losses have not been provided other than those provided for based on its modification losses in lieu of ECL. The Company has also assessed the credibility of the Group Companies and that of the Holding Company and is of the view that it does not expect any financial loss in respect of the said loans and deposits. Refer note no.6.

1.4 Recent accounting pronouncement (Standards issued but not yet effective):

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. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable from April 01, 2025.

1.5 Audit Trail

The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has used an accounting software for maintaining its books of account which has a feature of audit trail (edit log) facility and the same was enabled at the application level. During the year ended March 31, 2025, the Company has enabled the feature of recording audit trail (edit log) at the database level from May 25, 2024 onwards to log any direct data changes. The audit trail has been preserved by the Company as per the statutory requirements for record retention

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CIN - U45200KA2005PLC049327

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

2 Property, plant and equipment

Rupees in Lakhs

Particulars	Plant and machinery	Computers	Office Equipments	Vehicles	Furniture and Fixtures	Total
Gross block						
As at April 01, 2023	77.23	13.57	10.40	36.74	6.93	144.87
Additions	0.08	14.04	1.10	14.56	-	29.78
Disposals / Adjustments	-	-	-	(1.55)	-	(1.55)
As at March 31, 2024	77.31	27.61	11.50	49.75	6.93	173.10
Additions	-	4.84	-	-	0.06	4.90
Disposals / Adjustments	-	-	(0.62)	-	-	(0.62)
As at March 31, 2025	**77.31**	**32.45**	**10.88**	**49.75**	**6.99**	**177.38**
Depreciation						
As at April 01, 2023	49.56	1.77	6.29	17.74	3.64	79.00
Charge for the year	10.00	4.45	1.45	5.69	1.50	23.09
Disposals / Adjustments	-	-	-	(1.54)	-	(1.54)
As at March 31, 2024	59.56	6.22	7.74	21.89	5.14	100.55
Charge for the year	5.89	6.45	1.20	5.78	0.65	19.97
Disposals / Adjustments	-	-	(0.62)	-	-	(0.62)
As at March 31, 2025	**65.45**	**12.67**	**8.32**	**27.67**	**5.79**	**119.90**
Net block						
As at March 31, 2024	17.75	21.39	3.76	27.86	1.79	72.55
As at March 31, 2025	**11.86**	**19.78**	**2.56**	**22.08**	**1.20**	**57.48**

Notes:

1 Deemed Cost: The Company during the Financial Year 2016-17, had first time adopted Indian Accounting Standards ('Ind AS') under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The Company had elected to use its previous GAAP carrying value as at April 01, 2015 being the opening balance sheet date for the purpose of first time adoption of Indian Accounting Standards as per Para D7AA of Ind AS 101, 'First-time Adoption of Indian Accounting Standards'. Accordingly the value of gross block disclosed above includes carrying value of assets at the transition date (i.e., April 01, 2015) which is considered as deemed cost.

2 Assets are owned and are used for own use, unless otherwise mentioned.

3 For charges created on property, plant and equipments refer note no.14

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GMR Pochanpalli Expressways Limited

CHATURVEDI & SHAH LLP * CHARTERED ACCOUNTANTS * MUMBAI

GMR POCHANPALLI EXPRESSWAYS LIMITED
CIN - U45200KA2005PLC049327

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

3 Other Intangible Assets

Rupees in Lakhs

Particulars	Software	Total
Gross block		
As at April 01, 2023	17.33	17.33
Additions	-	-
Disposals / Adjustments	-	-
As at March 31, 2024	17.33	17.33
Additions	-	-
Disposals / Adjustments	-	-
As at March 31, 2025	**17.33**	**17.33**
Depreciation		
As at April 01, 2023	2.95	2.95
Charge for the year	3.66	3.66
Disposals / Adjustments	-	-
As at March 31, 2024	6.61	6.61
Charge for the year	3.65	3.65
Disposals / Adjustments	-	-
As at March 31, 2025	10.26	10.26
Net block		
As at March 31, 2024	10.72	10.72
As at March 31, 2025	7.07	7.07

Notes:

1 Deemed Cost: The Company during the Financial Year 2016-17, had adopted Indian Accounting Standards ('Ind AS') under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The Company had elected to use its previous GAAP carrying value as at April 01, 2015 being the opening balance sheet date for the purpose of first time adoption of Indian Accounting Standards as per Para D7AA of Ind AS 101, 'First-time Adoption of Indian Accounting Standards'. Accordingly the value of gross block disclosed above includes carrying value of assets at the transition date (i.e., April 01, 2015) which is considered as deemed cost.

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CHATURVEDI & SHAH LLP * MUMBAI * CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited

GMR POCHANPALLI EXPRESSWAYS LIMITED
CIN - U45200KA2005PLC049327

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

4 Right of use Assets

Rupees in Lakhs

Particulars	Leashold Buildings	Total
Gross block		
As at April 01, 2023	580.37	580.37
Additions	314.81	314.81
Disposals / Adjustments	(580.37)	(580.37)
As at March 31, 2024	314.81	314.81
Additions	-	-
Disposals / Adjustments	-	-
As at March 31, 2025	314.81	314.81
Depreciation		
As at April 01, 2023	580.37	580.37
Charge for the year	72.87	72.87
Disposals / Adjustments	(580.37)	(580.37)
As at March 31, 2024	72.87	72.87
Charge for the year	96.72	96.72
Disposals / Adjustments	-	-
As at March 31, 2025	169.59	169.59
Net block		
As at March 31, 2024	241.94	241.94
As at March 31, 2025	145.22	145.22

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

For details of lease liability, refer note no.15 below.

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CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

5 Investments

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Non Current Investments		
Investments in associates (Unquoted, valued at cost)		
Unsecured Compulsorily Convertible Debentures:		
GMR SEZ & Port Holdings Limited 328 (March 31, 2024: Nil) 0.01% Compulsorily convertible debentures of Rs.10,00,000 each [Refer note.34]	3,280.00	-
Total	**3,280.00**	**-**
Aggregate amount of unquoted non-current investments	3,280.00	-

6 Loans

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Current:		
Carried at amortised cost		
Loan Receivables – considered good - secured	-	-
Loan Receivables – considered good - unsecured Loans and advances to : Related parties [Refer note no. and note (a) below]	24,404.01	26,914.01
Loan Receivables which have significant increase in credit risk [Refer note no. (b) below]	-	-
Loan Receivables – credit impaired [Refer note no. (c) below]	-	-
Total	**24,404.01**	**26,914.01**
Total	**24,404.01**	**26,914.01**

Notes:

a) Details of loan given to related parties:

(i) An unsecured loan of Rs.11,809.92 Lakhs (March 31, 2024 : Rs.11,809.92 Lakhs) given to GMR Highways Limited (including loan given to GMR Tambaram Tindivanam Expressways Limited and GMR Tuni Anakapalli Expressways Limited merged w.e.f August 11, 2022 with GMR Highways Limited as per the NCLT, Mumbai Bench-IV, CP(CAA)/207/MB/2021 in CA(CAA)/11/(MB)/2021 Merger order dated 03.08.2022) shall be repayable within 1 year from date of renewed agreement.

(ii) An unsecured loan of Rs.12,150.56 Lakhs (March 31, 2024 : Rs.12,150.56 Lakhs) given to GMR Power and Urban Infra Limited (earlier GMR Infrastructure Ltd) shall be repayable within 1 year from date of renewed agreement.

(iii) An unsecured loan of Rs.177.00 Lakhs (March 31, 2024 : Rs.177.00 Lakhs) given to Dhruvi Securities Limited shall be repayable within 1 year in terms of renewed agreement.

(iv) Loan granted during earlier years along with interest accrued of Rs.3,280.00 Lakhs to GMR SEZ and Port Holdings Private Limited has been converted to 328 Unsecured 0.01% Compulsorily Convertible Debentures (CCDs) of face value of Rs.10,00,000/- each aggregating to Rs.3,280 Lakhs of GMR SEZ & Port Holdings Limited (GSPHL) on preferential basis on December 17, 2024. For details refer note no.34.

(v) An unsecured loan of Rs.266.53 Lakhs (March 31, 2024 : 266.53 Lakhs) given to GMR Ambala Chandigarh Expressways Private Limited shall be repayable within 1 year from date of renewed agreement.

b) The Company has undertaken an assessment of these loans considering the creditworthiness of the borrower along with the support letter of holding company GMR Power & Urban Infra Ltd (GPUIL) [earlier, GMR Infrastructure Ltd (GIL)] to make good the amounts on defaults if any by the Group Companies. In view of such assessment and obtaining of the support letter received from GPUIL, the management is of the opinion that the loans are good and no credit impairment is foreseen which requires credit losses to be recognized other than those considered in the modification losses. GPUIL has ensured that they will be able to provide sufficient funds to these Group Companies to make payment of the loans / deposits along with interest accrued thereon and accordingly the loans / deposits given by the Company are considered good and no further provision is considered necessary in the accompanying financial statements. Further, the company being a special purpose vehicle, going to be merged with holding company on completion of the service concession period.

It may also be noted that the company is regular in repayment of NCDs. The loans granted to the holding company and ultimate holding company during earlier years are out of the internal accrual of the company and the aggregate amount of the loan granted is lower than the net worth of the company.

c) There are no loans receivables which are credit impaired or which have a significant increase in credit risk based on the information available with the Company

d) There are no Loans or Advances in the nature of loans are granted 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.

e) The fair value of Non current and current loans are not materially different from the carrying value presented.

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

7 Other financial assets

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Non-current:		
Carried at amortised cost		
Unsecured, considered good		
Receivable under service concession arrangements	-	2,103.64
Fixed deposits with banks *	324.61	-
Interest accrued on CCDs to related parties [Refer note no.]	0.08	-
Interest accrued on deposits with banks	2.32	-
Security deposits		
with others	0.11	0.11
Deposit with government departments and exchanges **	17.07	13.78
Total	**344.19**	**2,117.53**
Current:		
Carried at amortised cost		
Unsecured, considered good		
Receivable under service concession arrangements	797.95	5,284.15
Receivable towards change of scope work and claims receivable ***	1,392.31	465.28
Interest accrued on loan to related parties (net of modification loss) [Refer note no.42]	9,716.99	9,319.52
Interest accrued on deposits with banks	1.80	9.06
Insurance claims receivable	0.74	-
Amount receivable towards sale of CCD's (net) [Refer note (a) below]	2,273.00	2,273.00
Annuity amount withheld by NHAI/penalty under protest [Refer note no.32] ****	4,888.89	2,623.99
	19,071.68	**19,975.00**
Less: Provision for doubtful non-trade receivables	(2,273.00)	(2,273.00)
Total	**16,798.68**	**17,702.00**
Total	**17,142.87**	**19,819.53**

* - Includes margin deposit of Rs.324.61 Lakhs [March 31, 2024 : Rs.Nil Lakhs] kept against bank guarantee.

** - Includes Recovery Expense Fund (REF) with National Stock Exchange of India Ltd of Rs.2.85 Lakhs [March 31, 2024 : Rs.2.85 Lakhs]

*** - Includes Rs.958.99 Lakhs retained by NHAI in September 2024, equivalent to 15% of the annuity (including GST) based on Clause 34.11 of the Concession Agreement.

**** - Includes Rs.2,264.90 Lakhs, representing the 32nd Annuity Amount erroneously withheld by NHAI in March 2025, and expected to be released shortly.

Notes:

a) GMR Power and Urban Infra Limited^ (GPUIL/holding Company) [erstwhile holding Company GMR Infrastructure Ltd (GIL)] had divested during the FY 2020-21 its entire 51% equity stake along with its subsidiaries held in Kakinada SEZ Ltd (KSEZ) to Aurobindo Realty & Infrastructure Pvt Ltd (ARIPL). In terms of the divestment plan, GIL (now GPUIL^) along with KSEZ, GMR SEZ & Port Holdings Limited and Kakinada Gateway Port Limited had entered into Securities Sale and Purchase Agreement (SSPA) with ARIPL), on September 24, 2020, as amended on March 31, 2021. The Company along with GIL, KSEZ and other group companies had entered into a Memorandum of Understanding (MOU) on March 31, 2021 with ARIPL. In terms of this MOU and debenture subscription agreement entered with Kakinada SEZ Limited on March 31, 2021, the Company had converted a portion of existing loan amounting to Rs.3,729.57 Lakhs into 3,72,95,676, 12% Compulsorily Convertible Debentures (CCD's) of Rs.10 each for a period of 29 years.

The Company had entered into Debenture Purchase Agreement (DPA) on March 31, 2021 with Aurobindo Realty & Infrastructure Pvt Ltd (ARIPL) and Kakinada SEZ Ltd (KSEZ). In terms of DPA, the company had agreed to sell 3,72,95,676 CCD's on closing date for a total consideration of Rs.4,181.97 Lakhs (including contingent consideration payable by ARIPL of Rs.3,147.85 Lakhs on achievement of milestones) subject to terms and conditions set out in DPA. Total consideration including additional payment of Rs.3,147.85 Lakhs payable as per Annexure I of DPA is based on achievement of certain agreed milestones primarily related to the sale of 2,500 acres of the land parcels at specified prices during the financial years ended March 31, 2023. These milestones are market dependent and are not under management control. The receivable/investment on CCD's had been fair valued as on March 31, 2021 by the Company at Rs.3,307.12 Lakhs (including upfront consideration of Rs.1,034.12 Lakhs) from an expert valuer who had considered various assumptions and scenarios on achievement of milestones with probable outcomes which was significantly dependent on future development in KSEZ and Governments approvals.

The Company's investment in KSEZ CCD's was transferred in the name of ARIPL on August 20, 2021 against the consideration received of Rs.1,034.12 Lakhs and the balance amount receivable towards sale of investment in CCD's in KSEZ of Rs.2,273.00 Lakhs (net of fair valuation loss) being contingent consideration was classified as 'Other Current Financial Assets'.

Milestone as stipulated in the agreement, could not be achieved by the end of March 31, 2024, the recoverablity of amount receivable is not certain. Accordingly, during the previous year, the company had charged of the balance amount receivable of Rs.2,273.00 Lakhs.

CHATURVEDI & SHAH LLP * MUMBAI * CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited

8 Other assets

Particulars	March 31, 2025	March 31, 2024
		Rupees in Lakhs
Non-current:		
Unsecured, considered good		
Deferred Contract assets under service concession arrangements [Refer note (a) below]	7,292.42	7,790.32
Total	**7,292.42**	**7,790.32**
Current:		
Unsecured, considered good		
Deferred Contract assets under service concession arrangements [Refer note (a) below]	614.93	1,253.91
Advances other than capital advances		
Advance to suppliers of goods/services		
to related parties [Refer note no.42]	95.43	1,510.98
to others	126.63	117.49
Advance to employees for expenses	0.99	2.39
Prepaid expenses	19.97	3.70
Balances with government departments - Prepaid indirect taxes	446.54	642.86
Total	**1,304.49**	**3,531.33**
Total	**8,596.91**	**11,321.65**

Notes

a) Contract assets are initially recognised as revenue earned on account of service concession arrangements where revenue is recognised over the period of time as receipt of consideration is conditional on successful completion of performance obligations such as periodic maintenance services under the service concession arrangements. Once the performance obligation is fulfilled, the deferred contract assets are classified as receivable under service concession arrangements.

9 Inventories

Particulars	March 31, 2025	March 31, 2024
		Rupees in Lakhs
Stores and spares [Refer note (b) below]	81.64	21.19
Total	**81.64**	**21.19**

Notes:

a) Inventories are valued at lower of cost or net realizable value.

b) For charges created on inventories refer note no.14.

10 Cash and cash equivalents

Particulars	March 31, 2025	March 31, 2024
		Rupees in Lakhs
Cash in hand	0.95	0.10
Balances with banks		
- Current account	95.67	1,557.82
- Fixed deposits	3,355.00	4,191.58
Total	**3,451.62**	**5,749.50**

Note:

a) For charges created on cash and bank balances refer note no.14.

b) Fixed Deposit includes Rs.3,355.00 Lakhs [March 31, 2024 : Rs.3,116.34 Lakhs earmarked for remittance of NCD redemption & Interest on NCD due on April 15, 2025.

11 Other bank balances

Particulars	March 31, 2025	March 31, 2024
		Rupees in Lakhs
Fixed deposit with banks	-	300.00
Total	**-**	**300.00**

Note:

a) For charges created on cash and bank balances refer note no.14.

b) Includes margin deposit of Rs.Nil [March 31, 2024 : Rs.300.00 Lakhs] kept against bank guarantee.

c) The fair value of other bank balances are not materially different from the carrying value presented.

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited

12 Equity share capital

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Authorised		
13,81,00,000 [March 31, 2024 : 13,81,00,000 equity shares of Rs.10 each]	13,810.00	13,810.00
45,90,000 [March 31, 2024 : 45,90,000 preference shares of Rs.100 each]	4,590.00	4,590.00
	18,400.00	18,400.00
Issued, subscribed and fully paid-up		
13,80,00,000 [March 31, 2024 : 13,80,00,000 equity shares of Rs.10 each]	13,800.00	13,800.00
Total	**13,800.00**	**13,800.00**

Notes:

a) Reconciliation of Shares Outstanding at the beginning and end of the reporting year

	March 31, 2025		March 31, 2024	
	Numbers	**Rupees in Lakhs**	**Numbers**	**Rupees in Lakhs**
Equity shares of Rs. 10 each				
Balance at the beginning of the year	13,80,00,000	13,800.00	13,80,00,000	13,800.00
Shares issued during the year	-	-	-	-
Balance at the end of the year	13,80,00,000	13,800.00	13,80,00,000	13,800.00
Preference shares of Rs. 100 each*				
Balance at the beginning of the year	44,50,000	4,450.00	44,50,000	4,450.00
Shares issued during the year	-	-	-	-
Balance at the end of the year	44,50,000	4,450.00	44,50,000	4,450.00

*- equity component of preference shares of Rs.3,620.95 Lakhs (March 31, 2024: Rs.3,620.95 Lakhs) is classified under Other Equity (refer note no.13) and liability portion of preference shares is classified as Long term Borrowings (refer note no.14).

b) 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.

c) Terms to Preference Shares

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

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

Name of Shareholder	Numbers	% of holding
Equity shares of Rs. 10 each		
March 31, 2025		
GMR Highways Limited (including nominees), the immediate holding Company	13,59,30,000	98.50%
March 31, 2024		
GMR Highways Limited (including nominees), the immediate holding Company	13,59,30,000	98.50%
Preference shares of Rs.100 each		
March 31, 2025		
GMR Power and Urban Infra Limited, the ultimate holding Company	44,50,000	100.00%
March 31, 2024		
GMR Power and Urban Infra Limited, the ultimate holding Company	44,50,000	100.00%

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

Name of Shareholder	Numbers	Rupees in Lakhs
Equity shares of Rs. 10 each		
March 31, 2025		
GMR Highways Limited (including nominees), the immediate holding Company	13,59,30,000	13,593.00
GMR Power and Urban Infra Limited, the ultimate holding Company	13,80,000	138.00
GMR Energy Limited, a subsidiary of GPUIL and fellow subsidiary	6,90,000	69.00
March 31, 2024		
GMR Highways Limited (including nominees), the immediate holding Company	13,59,30,000	13,593.00
GMR Power and Urban Infra Limited, the ultimate holding Company	13,80,000	138.00
GMR Energy Limited, a subsidiary of GPUIL and fellow subsidiary	6,90,000	69.00
Preference shares of Rs.100 each		
March 31, 2025		
GMR Power and Urban Infra Limited, the ultimate holding Company	44,50,000	4,450.00
March 31, 2024		
GMR Power and Urban Infra Limited, the ultimate holding Company	44,50,000	4,450.00

CHATURVEDI & SHAH LLP CHARTERED ACCOUNTANTS MUMBAI

GMR Pochanpalli Expressways Limited

f) Shareholding of promoters as at March 31, 2025

Name of the promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Fully paid up equity shares of INR 10 each					
GMR Power and Urban Infra Limited	13,80,000	-	13,80,000	1.00%	0.00%
GMR Energy Limited	6,90,000	-	6,90,000	0.50%	0.00%
GMR Highways Limited	13,59,29,996	-	13,59,29,996	98.50%	0.00%
GMR Business Process and Services Pvt. Ltd. representing and for the benefit of GMR Highways Ltd.	1	-	1	0.00%	0.00%
Dhruvi Securities Ltd. representing and for the benefit of GMR Highways Ltd.	1	-	1	0.00%	0.00%
GMR Aerostructure Services Limited representing and for the benefit of GMR Highways Ltd.	1	-	1	0.00%	0.00%
GMR Corporate Affairs Pvt. Ltd. representing and for the benefit of GMR Highways Ltd.	1	-	1	0.00%	0.00%
Preference shares of Rs.100 each					
GMR Power and Urban Infra Limited	44,50,000	-	44,50,000	100.00%	0.00%

g) As per records of the Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

h) The Company has not issued shares for consideration other than cash, during the period of five years immediately preceding the reporting date.

13 Other equity

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Equity component of Preference shares		
Opening balance	3,620.95	3,620.95
Add: Adjustment for the year	-	-
Closing balance	3,620.95	3,620.95
Debenture Redemption Reserve		
Opening balance	9,259.44	9,259.44
Add: Transferred from the statement of profit and loss [refer note (a) below]	-	-
Closing balance	9,259.44	9,259.44
Surplus in the statement of Profit and Loss	-	-
Opening balance	3,096.04	3,165.61
Add: Profit for the year	567.75	(69.57)
Less: Transferred to Debenture redemption reserve during the year [refer note (a) below]	-	-
Closing balance	3,663.79	3,096.04
Other comprehensive income		
Opening balance	15.30	7.08
Remeasurements gains/(loss) on defined benefit plans, net of tax effect	0.74	8.22
Closing balance	16.04	15.30
Total	**16,560.22**	**15,991.73**

Nature and purpose of reserve:

a) Debenture Redemption Reserve:

The Company has created Debenture Redemption Reserve (DRR) more than 25% of outstanding non-convertible debentures out of the profits of the company available for payment of dividend for the purpose of redemption of debentures in accordance with the provisions of the Companies Act, 2013 and Companies (Specification of definitions details) Rules, 2014, as amended.

b) Retained Earnings

Retained Earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013. No dividends are distributed by the Company during the year.

c) Equity component of Preference shares

Equity component of Preference shares represents the difference in carrying value and fair value of Preference Shares issued to its parent on initial recognition. Fair value is determined by discounting the estimating the cash flows expected over the term of the instrument using an applicable discount rate. The equity component of related party transactions are adjusted to the carrying amount on account of extinguishment of liability.

d) Other Comprehensive Income represents Re-measurement gains (losses) on defined benefit plans and its income tax effects if any.

CHATURVEDI & SHAH LLP CHARTERED ACCOUNTANTS MUMBAI

GMR Pochampalli Expressways Limited

14 Borrowings

Particulars	March 31, 2025	March 31, 2024
	Rupees in Lakhs	
Long-term borrowings:		
Secured, at amortized cost		
Non-convertible debenture [Refer note (a) below]	4,969.21	9,804.51
Unsecured, at amortized cost		
Liability component of compound financial instruments		
Non-cumulative non-convertible preference shares issued to the ultimate holding company [Refer Note (b) below]	3,805.13	3,437.88
Total	**8,774.34**	**13,242.39**
Short-term borrowings:		
Secured, at amortized cost		
Current maturities of Non-convertible debenture [Refer note (a) below]	4,835.30	4,989.31
Total	**4,835.30**	**4,989.31**
Total	**13,609.64**	**18,231.70**

Notes:

a) Secured non-convertible debenture:

During the financial year 2009-2010, the Company has issued 9.38% 6,500 Rated, taxable, listed, redeemable, non-convertible Debentures (NCDs) of the face value of Rs.10,00,000 each which are which are listed on The National Stock Exchange of India. Debentures are repayable in 34 half yearly unequal instalments commencing from April 15, 2010 to October 15, 2026.

i) Terms of Security

The listed, redeemable, non-convertible debentures are secured by way of first charge on all the assets of the Company both movable and immovable properties, both present and future (including future annuity receivable) but excluding project assets (unless permitted by National Highways Authority of India (NHAI) under the Concession agreement).

ii) Maturity profile of 9.38% redeemable non-convertible Debentures of face value of Rs.10,00,000/- each are given below:

No. of Debentures	Date of redemption	Rupees in Lakhs
227.90	15-10-2026	2,279.00
269.10	15-04-2026	2,691.00
218.90	15-10-2025	2,189.00
265.00	15-04-2025	2,650.00

b) Non-cumulative non-convertible Preference shares:

The Company had issued 44,50,000 8% Redeemable, Non-cumulative and Non-Convertible preference shares of Rs.100 each. Preference Shares are redeemable at premium at the option of the Board of Directors of the Company on October 15, 2026, with one day prior notice to the preference shareholders.

As these Preference share are non-cumulative and the Company is not under obligation to pay dividend, only fair value of redemption value has been considered as financial liablity using a market rate for an equivalent instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on redemption. The remainder of the proceeds is recognised and included in Equity. Refer note no.13 for equity portion of Preference Shares.

Particulars	March 31, 2025	March 31, 2024
	Rupees in Lakhs	
Opening balance	4,450.00	4,450.00
Add: Issued during the year	-	-
Closing balance	4,450.00	4,450.00
Less: Equity component transferred to Other Equity	3,620.95	3,620.95
Financial liability portion of preference shares	829.05	829.05
Add: Notional interest recognized up to date	2,976.08	2,608.83
Liability portion of non convertible preference shares	**3,805.13**	**3,437.88**

15 Lease Liabilities

Operating lease commitments - Company as a Lessee : The Company has entered into certain cancellable and non-cancellable operating lease agreements mainly for office premises. The lease rentals paid during the year and the maximum obligation on the long term non-cancellable operating lease payable are as follows:

The following is the break-up of current and non-current lease liabilities as at March 31, 2025 and March 31, 2024:

Particulars	March 31, 2025	March 31, 2024
	Rupees in Lakhs	
Non-current lease liabilities	63.47	171.59
Current lease liabilities*	108.13	88.64
Total	**171.60**	**260.23**

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The movement in lease liabilities during the year ended March 31, 2025 and March 31, 2024 is as follows:

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Opening balance	260.23	275.23
Additions	-	314.81
Interest on lease liability	23.79	23.85
Payment of lease laibilities	(112.42)	(78.43)
Liability due but not paid transferred to Trade payable	-	(275.23)
Closing balance	**171.60**	**260.23**

Details regarding the contractual maturities of lease liabilities as at March 31, 2025 and March 31, 2024 on an undiscounted basis is as follows:

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Repayable on demand/due	-	-
Less than one year	120.86	112.43
One to five years	64.96	185.81
More than five years	-	-
Total	**185.82**	**298.24**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Following amount has been recognised in statement of profit and loss:

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Amortisation on right to use asset	96.72	72.87
Interest on lease liability	23.79	23.85
Expenses related to short term/low value lease (included under other expenses)	3.92	44.44
Total	**124.43**	**141.16**

Note : For right of use assets refer note no.4 above.

16 Provisions

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Non-current:		
Provision for gratuity [Refer note no.41(b)]	37.26	24.34
Provision for periodic maintenance	6,890.94	8,064.89
Total	**6,928.20**	**8,089.23**
Current:		
Provision for variable performance pay	75.72	78.96
Provision for superannuation	1.79	1.60
Provision for leave encashment	140.24	137.80
Provision for periodic maintenance	1,376.00	3,052.18
Total	**1,593.75**	**3,270.54**
Total	**8,521.95**	**11,359.77**

Note:

a) Provision for periodic maintenance (overlay activities)

The Company has contractual obligation to maintain, replace or restore infrastructure, except for any enhancement element. Cost of such obligation is measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date. With regard to periodic maintenance to be carried out over the balance period, the company has straight-lined the re-estimated project cost to complete and accordingly made provision for present value of such straight-lined projected cost which is shown under non-current provision as on balance sheet date. Based on revised estimation of project cost, the excess provision which is no longer required is reversed during the year.

b) Movement of provision for periodic maintenance

Rupees in Lakhs

Particulars	March 31, 2025		March 31, 2024	
	Non-current	Current	Non-current	Current
Opening Balance	8,064.89	3,052.18	5,720.76	5,000.00
Accretion during the year	443.59	281.20	2,344.13	-
Excess provision reversed during the year	(1,617.54)	-	-	-
Utilised during the year	-	(1,957.38)	-	(1,947.82)
Closing Balance	**6,890.94**	**1,376.00**	**8,064.89**	**3,052.18**

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17 Trade payables

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Current:		
Carried at amortised cost:		
Dues of micro enterprises and small enterprises [Refer Notes (a) below]	8.05	35.02
Dues of creditors otherthan micro enterprises and small enterprises		
Payable to related parties [Refer note no.42 below]	909.86	618.68
Dues to others	334.77	472.62
Total	**1,252.68**	**1,126.32**

Notes:

a) Details of dues of micro enterprises and small enterprises

Dues to others	8.05	35.02
Total	**8.05**	**35.02**

b) Trade payables ageing analysis

Trade payable ageing as at March 31, 2025

Rupees in Lakhs

Particulars	Amount not Due	Outstanding for following periods from due date of payment				
		< 1 year	1-2 years	2-3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises [MSME]	-	5.36	0.88	1.04	0.77	8.05
Total outstanding dues of creditors other than MSME	7.98	927.01	0.14	45.35	264.15	1,244.63
Disputed dues of MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
Total	**7.98**	**932.37**	**1.02**	**46.39**	**264.92**	**1,252.68**

Trade payable ageing as at March 31, 2024

Rupees in Lakhs

Particulars	Amount not Due	Outstanding for following periods from due date of payment				
		< 1 year	1-2 years	2-3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises [MSME]	-	33.05	1.04	0.93	-	35.02
Total outstanding dues of creditors other than MSME	7.66	766.12	64.99	92.51	160.02	1,091.30
Disputed dues of MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
Total	**7.66**	**799.17**	**66.03**	**93.44**	**160.02**	**1,126.32**

c) The Management is in continuous process of obtaining confirmations from its vendors regarding their registrations under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). Under the MSMED Act, 2006 which came into force with effect from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. On the basis of information and records available with the company, the following disclosures are made for the amounts due to Micro, Small and Medium Enterprises. Further, in view of the management, the impact of interest, if any, that may be payable in accordance with the provision of the Act are not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
The principal amount due thereon remaining unpaid to any supplier as at the end of each accounting year	8.05	35.02
The interest amount due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
The amount of interest paid by the buyer under MSMED Act, 2006	-	-
Amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-
The amount of interest accrued but not accounted and remaining unpaid at the end of accounting year; and	6.73	6.73
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

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d) The Company is in the process of reconciling the outstanding balances with vendors and any changes in the balance upon reconciliation shall be given effect in the ensuing year and the management is of the opinion that there will not be any significant effect on such reconciliaiton.

e) The fair value of Trade payables is not materially different from the carrying value presented.

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

18 Other financial liabilities

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Current		
Other financial current liabilities at amortized cost		
Interest accrued but not due on debt	423.00	638.84
Total	**423.00**	**638.84**

19 Other liabilities

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Non-current:		
Deferred contract revenue under service concession arrangement [Refer note (a) below]	662.95	708.21
Total	**662.95**	**708.21**
Current:		
Deferred contract revenue under service concession arrangement [Refer note (a) below]	55.90	113.99
Statutory dues	1,011.67	1,040.44
Total	**1,067.57**	**1,154.43**
Total	**1,730.52**	**1,862.64**

Notes:

a) Deferred contract revenue represents amount received from customer as per the half yearly annuity stipulated under the service concession arrangements to recognise revenue once the periodic maintenance services is completed and performance obligations are achieved.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

20 Income Tax

The major components of income tax expense

20.01 Income tax expense in the statement of profit and loss comprises for the year:

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Profit or loss section		
Current Tax	767.56	441.44
Deferred Tax [Refer note no.20.04 below]	-	-
Income tax for earlier years[Refer note no.38 below]	(427.91)	-
Tax expense / (credit) to Statement of Profit and Loss	**339.65**	**441.44**
Other comprehensive income section (OCI)		
Deferred tax related to items recognised in OCI during in the year:		
Re-measurement gains (losses) on defined benefit plans	-	-
Tax expense / (credit) to Other Comprehensive Income	-	-
Tax expense / (credit) to Total Comprehensive Income	**339.65**	**441.44**

20.02 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year:

Rupees in Lakhs

Particulars		March 31, 2025	March 31, 2024
Profit before tax	(PBT)	907.40	371.87
Applicable tax rate		29.12%	29.12%
Tax effect of income / (loss)	(a)	264.23	108.29
Adjustments:			
Tax effect on non-deductible expenses		(0.06)	6.10
Deduction under section 80IA [Refer note no.20.04(a) below]		(1,238.20)	(688.92)
Impact of minimum alternate tax credit		-	(343.21)
	(b)	(1,238.26)	(1,026.03)
	(c)=(a+b)	(974.03)	(917.74)
Deferred tax asset /(liability) is not recognised as the same will be reversed during section 80IA period [Refer note no.20.04 below]	(d)	1,741.59	1,359.18
Tax expense/(credit) for the year	(e)=(c+d)	**767.56**	**441.44**
Income tax for earlier years[Refer note no.38 below]	(f)	(427.91)	-
Tax expense / (credit) to Statement of Profit and Loss	(g)=(e-f)	**339.65**	**441.44**
Effective tax rate for the year	(h)=(e)/PBT	**84.59%**	**118.71%**

Note: Current income tax liability for the year is more than the profit before tax, due to Ind AS adjustment for fair valuation of financial assets and amortisation of financial liabilities which is not allowable under Income tax Act, 1961 [Refer note no.20.04 below for non-recognition of deferred tax]

20.03 Provision for Income tax / Non-current tax assets

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Net current income tax asset/ (liability) at the beginning	1,179.86	1,087.99
Current tax payable for the year	767.56	441.44
Income tax for earlier years[Refer note no.38 below]	(427.91)	-
Current taxes (paid)/refund (net)	(422.30)	(349.57)
Net current income tax asset/ (liability) at the end *	**1,097.21**	**1,179.86**

* - refer note no.38

The details of income tax assets and income tax liabilities		
Provision for Income tax (net)	1,097.21	1,179.86
Income tax assets (net)	-	-
Net current income tax asset/ (liability) at the end	**1,097.21**	**1,179.86**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

20 Income Tax

20.04 Major components of deferred tax assets and liabilities

Rupees in Lakhs

Particulars	As at April 01, 2023	For the year ended March 31, 2024	As at March 31, 2024	For the year ended March 31, 2025	As at March 31, 2025
Deferred tax liability					
Service concession assets	2,877.00	(533.20)	2,343.80	(1,336.80)	1,007.00
Right of use assets	-	70.45	70.45	(28.16)	42.29
Borrowings	6.05	(2.79)	3.26	(1.95)	1.31
Equity Component of preference shares	1,054.42	-	1,054.42	-	1,054.42
Total	**3,937.47**	**(465.54)**	**3,471.93**	**(1,366.91)**	**2,105.02**
Deferred tax asset					
Property, plant and equipments	15.28	(1.49)	13.79	1.18	14.97
Right of use lease liability	-	75.78	75.78	(25.81)	49.97
Liability portion of preference shares	662.82	96.87	759.69	106.94	866.63
Interest accrued on Loan to related Parties	675.07	233.02	908.09	317.12	1,225.21
Fair value of investments / receivables through profit or loss	784.92	-	784.92	-	784.92
Provision for major maintenance	1,441.73	464.21	1,905.94	(7.35)	1,898.59
Provision for leave encashment	28.19	11.94	40.13	0.71	40.84
Provision for gratuity	1.67	5.42	7.09	3.76	10.85
Provision for bonus	17.26	7.89	25.15	(21.87)	3.28
Total	**3,626.94**	**893.64**	**4,520.58**	**374.68**	**4,895.26**
Net deferred tax (assets) / liability	**310.53**	**(1,359.18)**	**(1,048.65)**	**(1,741.59)**	**(2,790.24)**
Deferred tax asset/(liability) not recognised [Refer note (a) below]	(310.53)	1,359.18	1,048.65	1,741.59	2,790.24
Net deferred tax (assets) / liability	-	-	-	-	-

Note:

a) The Company, being Infrastructure Company, enjoys the benefit of tax holiday period for 10 years out of first 20 years of operations. In initial years of operations, the Company has incurred losses and hence had not claimed the benefit of tax holiday period. The Management expects that all deferred tax liabilities originated as on balance sheet date pertains basically to infrastructure undertaking which is covered under section 80IA of the Income tax Act, 1961. As per the management projections these differences which are originated are getting reversed within the Section 80IA tax holiday period and resulting in insignificant deferred tax asset as at the end of the Section 80IA tax holiday period which incidentally is also the end of the project period. Accordingly, the company has not recognised the resulting deferred tax liability/asset that is expected to reverse during the tax holiday period.

20.05 The unused business loss and allowances is allowable in future period against taxable profit Rs. Nil

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

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

21 Revenue from operations

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Operations and maintenance income	5,728.39	5,785.63
Finance income on financial assets	1,483.23	1,988.98
Total	**7,211.62**	**7,774.61**

Notes:

a) Effective April 1, 2018, the Company adopted Ind AS 115 " Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

In the Service Concession agreement the Company has applied the guidance in Ind AS 115, by applying the revenue recognition criteria for each distinct performance obligation. The arrangement with the grantor generally meets the criteria for considering regular maintenance and periodic maintenance services as two distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of the contract at its relative standalone price using the expected cost plus margin approach. For periodical maintenance (overlays) and related services, the performance obligations are satisfied only when the services are rendered since the customer generally obtains the control of the work as it progresses though the company accounts for the provision for periodic maintenance as a best estimate is recognised and measured over the period of time in terms of Ind AS 37.

b) Disaggregate revenue information for the year ended March 31, 2025 and March 31, 2024

The Company has presented disaggregated revenue from contracts with customers (under service concession arrangements) for the year ended March 31, 2025 by offerings and is of the opinion that, this disaggregation best depicts the nature, amount, timing of revenues and cash flows that are affected by the industry markets and other economic factors.

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Revenue by offering		
Operations and maintenance	5,728.39	5,785.63
Financial asset	1,483.23	1,988.98
Total	**7,211.62**	**7,774.61**

The Company has not identified any disaggregated revenues based on contract types.

c) Performance obligations:

Revenue from periodic maintenance (overlay) are recognised as per the service concession arrangements.

The performance obligation provides the aggregate amount of transaction that is pending to be performed and transaction price yet to be recognised as at end of the reporting period. The Company has applied the practical expedient as given in Ind AS 115 as the performance obligation on periodic maintenance as a part of a concession agreement that has an original expected duration of more than one year. The aggregate value of performance obligation that are unsatisfied as at March 31, 2025 is Rs.7,907.35 Lakhs The company will recognise revenue on completion of the performance obligation on attaining finality of pending litigation [refer note no.32]. Pending the same the performance obligations are recognised as provisions without corresponding recognition of revenue in terms of Ind AS 115.

Assets and liabilities under service concession arrangements on which performance obligation is not satisfied are classified as contract assets and contract liabilities respectively. Refer note nos.8 and 19 above.

22 Other income

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Interest Income on Bank Deposit and others	77.58	149.64
Interest on loan to related parties	3,579.19	3,616.68
Interest on compulsorily convertible debentures	0.09	-
Interest on Income Tax Refund	18.94	15.50
Reversal of modification loss on Loan to related parties	56.17	-
Profit on sale of property plant and equipment	-	0.74
Excess provision written back	5.88	3.27
Scrap Sale	5.84	12.75
Other non-operating income	-	0.66
Total	**3,743.69**	**3,799.24**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

23 Operating expenses

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Sub-contracting expenses	2,804.47	2,541.15
Total	**2,804.47**	**2,541.15**
Details of sub-contracting expenses		
Highway maintenance expenses	761.64	523.97
Toll/Highway management services	85.45	69.36
Periodic maintenance expenses	1,957.38	1,947.82
Total	**2,804.47**	**2,541.15**

24 Employee benefit expenses

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Salaries, perquisites & allowance	932.30	806.75
Contribution to provident and other funds	58.88	52.07
Gratuity expense	34.42	7.84
Staff welfare expenses	5.71	5.26
Total	**1,031.31**	**871.92**

25 Other expenses

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
Consumption of Stores and Spares	70.84	44.63
Utility Expenses (including Electricity charges)	97.09	107.18
Rent	3.92	44.44
License fee and Trademark fee	21.63	27.52
Rates and taxes	616.55	853.28
Insurance	95.64	141.55
Repairs and maintenance		
- Others	72.65	65.92
Safety expense	0.09	0.20
Vehicle running expense	29.77	26.50
Travelling and conveyance	40.38	35.14
Communication costs	7.84	9.25
Printing and stationery	0.92	0.78
Legal and professional fees	232.27	285.92
Manpower outsourcing	37.30	41.15
Directors' sitting fees	3.45	2.90
Payment to auditors [Refer note no. (a) below]	17.25	12.44
Advertisement and business promotion	5.74	6.29
Advances written off	-	74.78
Staff recruitment and training cost	0.03	0.08
Bank charges	1.62	0.23
Security Charges	28.39	33.12
Books and Periodicals	0.13	-
Brokerage	0.15	-
Corporate Social responsibility Expenses [Refer note no.44]	-	62.70
Meeting and seminar	0.71	-
General expenses	9.85	6.31
Total	**1,394.21**	**1,882.31**

Notes:

a) Details of payment to auditors

Statutory audit fee (including fee for limited review, interim financial reporting)	6.50	5.85
Tax audit fee	1.00	1.00
Certification charges	9.75	5.59
Total	**17.25**	**12.44**

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26 Finance costs

		Rupees in Lakhs
Particulars	**March 31, 2025**	**March 31, 2024**
Interest measured at amortised cost		
Interest on debts and borrowings	1,059.03	1,515.59
Interest others	2,574.18	2,072.23
Other borrowing cost	1,064.37	2,219.16
Total	**4,697.58**	**5,806.98**
Details of finance cost (Interest measured at amortised cost)		
Interest on debts and borrowings		
Interest on debentures	1,059.03	1,515.59
Interest others		
Unwinding interest on liability portion of preference shares	367.25	332.67
Interest loss on modification of Loan to related parties	2,013.54	1,610.50
Unwinding Interest on periodic maintenance provision	169.60	93.83
Interest on lease liability	23.79	23.85
Interest on delay in payment of statutory dues	-	11.38
Other borrowing cost		
Modification charge on service concession asset	979.26	2,113.17
Bank and other finance charges	85.11	105.99
Total	**4,697.58**	**5,806.98**

27 Depreciation and amortization expense

		Rupees in Lakhs
Particulars	**March 31, 2025**	**March 31, 2024**
Depreciation of property, plant and equipment [Refer note no.2]	19.97	23.09
Amortization of intangible assets	3.65	3.66
Amortization of right of use assets [Refer note no.4]	96.72	72.87
Total	**120.34**	**99.62**

28 Earning per share (EPS)

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. There is no dilutive potential ordinary shares as at March 31, 2025 and March 31, 2024. Thus, diluted EPS equals basic EPS.

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

Particulars	**March 31, 2025**	**March 31, 2024**
a) Nominal value of Equity shares (in Rupees per share)	10.00	10.00
b) Weighted average number of Equity shares at the year end (in Nos)	13,80,00,000	13,80,00,000
c) Profit/(loss) attributable to equity holders of the Company for basic earnings (Rupees in Lakhs)	567.75	(69.57)
d) Basic/Diluted Earning per share of Rs 10/- each (in Rs.) [(c)/(b)]	0.41	(0.05)

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

29 Disclosures on Financial Instruments

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

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

29.01 Financial instruments by category

Financial instruments comprise financial assets and financial liabilities.

The carrying value and fair value of financial instruments by categories are as follows — **Rupees in Lakhs**

Particulars	Refer note no.	As at March 31, 2025			As at March 31, 2024		
		Amortised cost	Fair value through profit or loss	Fair value through OCI	Amortised cost	Fair value through profit or loss	Fair value through OCI
Financial assets:							
Investments:							
in CCD's of related party	5	3,280.00	-	-	-	-	-
Loans to group companies	6	24,404.01	-	-	26,914.01	-	-
Loans to employees							
Security deposit	7	0.11	-	-	0.11	-	-
Receivable under service concession	7	797.95	-	-	7,387.79	-	-
Cash and cash equivalents	10	3,451.62	-	-	5,749.50	-	-
Other bank balances (including interest accrued)	11	1.80	-	-	309.06	-	-
Other financial assets	7	16,343.01	-	-	12,422.57	-	-
Total		**48,278.50**	**-**	**-**	**52,783.04**	**-**	**-**
		-			-		
Financial liabilities:							
Borrowings (including interest accrued)	14	10,227.51	-	-	15,432.66	-	-
Liability component of preference share capital	14	3,805.13	-	-	3,437.88	-	-
Trade payables	17	1,252.68	-	-	1,126.32	-	-
Lease liability	15	171.60	-	-	260.23	-	-
Other financial liabilities	18	-	-	-	-	-	-
Total		**15,456.92**	**-**	**-**	**20,257.09**	**-**	**-**
		-			-		

Fair values

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

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

29.02 Fair value hierarchy

The Company held the following assets and liabilities measured at fair value. The Company uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique

Level 1: quoted (unadjusted) 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; and

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

a) The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2025:

Rupees in Lakhs

Particulars	Total	Level 1	Level 2	Level 3
Assets measured at fair value through profit or loss:	-	-	-	-
Liabilities measured at fair value through profit or loss:	-	-	-	-

b) The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2024:

Rupees in Lakhs

Particulars	Total	Level 1	Level 2	Level 3
Assets measured at fair value through profit or loss:	-	-	-	-
Liabilities measured at fair value through profit or loss:	-	-	-	-

During the year ended March 31, 2025 and March 31, 2024 there were no Assets/Liabilities measured at fair value through profit or loss and no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

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The Board of Directors considers the fair value of all other financial assets and liabilities to approximate their carrying value at the balance sheet date.

In view of all financial assets and liabilities are carried at amortised cost, there are no financial assets and liabilities to be fair valued under the fair value hierarchy.

30 Financial risk management

Financial Risk Factors

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 Loan receivables, Receivable under SCA, Cash and Cash equivalents, Investment and other bank balance.

In the course of its business, 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 audit committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's senior management ensure 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 risk management policy is approved by the Board of Directors. The risk management frame work aims to :

i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuation on the Company's business plans.

ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

30.01 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 price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, and derivative financial instruments. The sensitivity analysis in the following sections relate to the position as at March 31, 2025 and March 31, 2024.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations, provisions.

The following assumptions have been made in calculating the sensitivity analysis.

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, 2025 and March 31, 2024.

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 does not have exposure to the risk of changes in market interest rates in view of the Company's long-term debt obligations with fixed interest rates. Borrowings at fixed rates expose the Company to fair value interest rate risk. In respect of deployment of funds by the company as loans/deposits to the related parties the interest rate risk has been considered by the company by fixing the terms for those loans for a period not exceeding one year which may be renewed with rates reflecting current market scenario.

The Company analyses its interest rate exposure on a dynamic basis. The Company's policy is to manage its interest cost using only interest free/ fixed rate debts from related parties.

Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. 50 basis points represents management's assessment of reasonably possible change in interest rate. With all other variables held constant, the Company's profit/(loss) before tax is affected through the impact interest rate of borrowings is as follows:

Rupees in Lakhs

Particulars	Type of currency	Increase/ decrease in basis points	Effect on profit before tax		Effect on total equity	
			March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Increase of profit	INR	(+)50	31.27	56.45	31.27	56.45
Decrease of profit	INR	(-)50	(31.27)	(56.45)	(31.27)	(56.45)

30.02 Commodity price risk

The Company is affected by the price volatility of certain commodities which is moderated by optimising the procurement for operating activities which require continuous procurement of road operation and maintenance materials. Therefore the Company monitors its purchases closely to optimise the price.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

30.03 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. Financial instruments that are subject to credit risk and concentration thereof principally consist of receivables under concession agreement/other receivables, loans, investments, cash and cash equivalents provided by the Company. The carrying value of financial assets represents the maximum credit risk, which may be affected by the changes in the credit risk of the counter parties.

No credit limits were exceeded during the reporting period other than those under litigation, and management does not expect any losses from non-performance by these counterparties.

Credit risk from balances with bank and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Loans are non-derivative financial instruments which generate a fixed or variable interest income for the Company. The carrying value of loans may be affected by the changes in the credit risk of the counter parties. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units for a specified time period.

The carrying values of the financial assets approximate its fair values. The above financial assets are not impaired as at the reporting date. Other financial assets are neither past due nor impaired at reporting date. The cash and cash equivalents are maintained with reputed banks. Hence the Company believes no impairment is necessary in respect of the above financial instruments.

30.04 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company's treasury department is responsible for liquidity, funding as well as settlement management.

Management monitors rolling forecasts of the Company's liquidity reserve on the basis of expected cash flow. This is generally carried out at by the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these; monitoring balance sheet liquidity ratios against internal and external regulatory requirements; and maintaining debt financing plans. The Company also issues preference shares to the parent company/ group companies from time to time to ensure a liquidity balance.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements.

As at March 31, 2025, the Company had a working capital of Rs.35,662.80 Lakhs including cash and cash equivalents of Rs.3,451.62 Lakhs. As at March 31, 2024, the Company had a working capital of Rs.41,770.09 Lakhs including cash and cash equivalents of Rs.5,749.50 Lakhs.

The following are the contractual maturities of non-derivative financial liabilities, including the estimated interest payment on an undiscounted basis which therefore differs from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the year end.

Financial Liabilities — Rupees in Lakhs

Particulars	Financial liabilities carrying value	Total amount payable	Repayable on demand/not due	Due within 1 year	Due between 1 to 5 years	Due after 5 years
As at March 31, 2025						
Borrowings	9,804.51	9,809.00	-	4,839.00	4,970.00	-
Lease liability	171.60	185.82	-	120.86	64.96	-
Interest accrued on debt	423.00	423.00	-	423.00	-	-
Preference shares	3,805.13	4,450.00	-	-	4,450.00	-
Trade payable	1,252.68	1,252.68	7.98	932.37	312.33	-
Other financial liabilities	-	-	-	-	-	-
Total	**15,456.92**	**16,120.50**	**7.98**	**6,315.23**	**9,797.29**	**-**
As at March 31, 2024						
Borrowings	14,793.82	14,805.00	-	4,996.00	9,809.00	-
Lease liability	260.23	298.24	-	112.43	185.81	-
Interest accrued on debt	638.84	638.84	-	638.84	-	-
Preference shares	3,437.88	4,450.00	-	-	4,450.00	-
Trade payable	1,126.32	1,126.32	7.66	799.17	319.49	-
Other financial liabilities	-	-	-	-	-	-
Total	**20,257.09**	**21,318.40**	**7.66**	**6,546.44**	**14,764.30**	**-**

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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.

30.05 Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

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

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

The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt.

Rupees in Lakhs

Particulars		**March 31, 2025**	**March 31, 2024**
Debt - External long term borrowings	(a)	10,227.51	15,432.66
Capital Components			
Equity Share Capital		13,800.00	13,800.00
Other equity		16,560.22	15,991.73
Liability component of preference share capital		3,805.13	3,437.88
Total Capital	(b)	34,165.35	33,229.61
Capital and debt	(a+b)	44,392.86	48,662.27
Gearing ratio (%)	(a)/(a+b)	23.04%	31.71%

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 period/year ended March 31, 2025 and March 31, 2024.

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31 Contingent liabilities and commitments

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
a. Contingent Liabilities (to the extent not provided for)	-	
Claims against the company not acknowledged as debt:		
i. Penalty levied by National Highways Authority of India (net of amount paid under protest) [Refer note no.32 below]		
ii. Office of the Commissioner of Central Tax, Central Excise and Service Tax, Medchal Commissionerate, Hyderabad, issued a Demand Notice dated February 26, 2025 confirming CGST and SGST demands, classifying works contract services under SACS 9954, and imposing a penalty [Refer note no.33 below]	7,509.35	-
iii. Income tax demand of Rs.132.61 Lakhs for the AY 2020-21 issued by the Income tax department vide Assessment Order dated September 21, 2022 under section 143(3) of the Income tax Act, 1961 by non grant of set off of brought forward loss and non considering deduction under section 80G and section 80IA. The Company has filed an appeal before the CIT(Appeals), Bengaluru against the demand and management is confident of getting a favourable order.	132.61	132.61
iv. Defaults in Tax Deducted at Source relating to FY 2021-22 and earlier years as per TRACES login	4.02	4.02
b. Other Commitments	-	-

32 Litigations on Service concession

The Company had received a penalty notice from National Highways Authority of India (NHAI) who levied a penalty of Rs. 1,031.00 Lakhs on the Company for alleged delayed completion of the project's first periodic maintenance, later enhanced by CAG to Rs. 2,344.00 Lakhs. NHAI subsequently deducted Rs. 1,078.62 Lakhs, Rs. 1,430.48 Lakhs, Rs. 197.90 Lakhs and Rs.2264.90 Lakhs from the 18th, 22nd, 25th and 32nd annuities, respectively, towards penalty, non-fulfilment of O&M Obligations and non-curing of deficiencies in the time specified in Service Concession Agreement (CA) which is considered recoverable in the opinion of the management. The Company initiated arbitration, disputing the Concession Agreement's requirement for mandatory five-year periodic maintenance.

On January 14, 2020, the Tribunal ruled against the Company, stating overlay work was required regardless of road condition and directed commencement of the second overlay by April 1, 2020 (completion by December 31, 2020) and the third by April 1, 2025. NHAI appealed to the Delhi High Court, challenging the extended timelines to commence and complete the second overlay work and third overlay work stating that such concession is not in accordance with Concession Agreement. The Tribunal also ordered NHAI to refund Rs. 1,078.62 Lakhs with interest at 12% pa., and Rs. 30.00 Lakhs plus arbitrator fees to cover litigation costs. NHAI appealed the refund order. The Company also filed an application with the Delhi High Court under Section 34 of the Arbitration and Conciliation Act, 1996, challenging the Tribunal's award to the extent of wrong interpretation of clause 4.3.1 of schedule "I" to CA of the Concession Agreement regarding mandatory overlays and seeking reimbursement for overlay costs.

The Delhi High Court, on April 6, 2022, upheld the Company's argument that overlays are only required when the roughness index exceeds 2000 mm/km, rejecting the Tribunal's ruling. It also upheld the Company's claim for reimbursement of first maintenance costs, directing the arbitrator to quantify the claim. The High Court further upheld other Tribunal awards favorable to the Company. NHAI has appealed under section 37(1)(c) of the Arbitration and Conciliation Act, 1996 this High Court order to a Division Bench of the Delhi High Court. On July 11, 2022, the Court directed a status quo.

As the matter is sub-judice, the Company has not recognized the potential financial benefit of the High Court order. Specifically, it has not reversed provisions for overlay costs or recognized a modification gain in its service concession receivables, pending the Division Bench's final decision. The modification gain and reversal of overlay cost provision, if any, will be accounted for upon resolution of NHAI's appeal.

32a Further, the Delhi High Court had dismissed the company's Section 9 application as not maintainable on January 10, 2023. Consequently, the company invoked arbitration on May 5, 2023, seeking a refund of Rs. 1,430.48 Lakhs for wrongly withheld amounts while time to complete 2nd overlay as allowed by the Arbitral Tribunal was still available. Arbitral Tribunal has been constituted with Presiding arbitrator with two Co-arbitrators. During its initial sitting on November 1, 2023, the Arbitral Tribunal established a schedule for completing pleadings, which have since been finalized. On July 30, 2024, the Arbitral Tribunal indicated that the outcome of Section 37 appeals could impact the case and adjourned the matter pending a decision. However, on November 30, 2024, the Arbitral Tribunal, upon the Company's submissions, observed its prerogative to determine whether the Delhi High Court matter bears relevance to the arbitration. Final arguments are scheduled for hearing during April, 2025. Management anticipates a favourable outcome in this regard and believes there will be no adverse financial impact on the Company.

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33 Litigations under goods and service tax

The Additional Director General of GST Intelligence (DGGI), Hyderabad Zonal Unit, issued a Show Cause Notice (SCN) No. 05/2023-24(GST) dated April 28, 2023, to the Company, seeking to recover Rs.6,826.68 Lakhs in CGST and TGST for the period September 2017 to September 2022 under Section 73(1) of the TGST Act, 2017. The demand pertained to GST on annuity payments received from NHAI under a Build-Operate-Transfer (BOT) contract for road construction and maintenance services, as per the Service Concessionaire Agreement (SCA) dated March 31, 2006. The Company challenged the SCN before the Telangana High Court, arguing that the annuity payments were exempt under entry 23A of Notification 12/2017 Central Tax (Rate) for the period up to its withdrawal on January 1, 2023, via Notification No. 15/2022. The High Court initially issued a notice to the Respondent and directed that no coercive action be taken. The High Court, however, dismissed the writ petition on October 28, 2024

The Company then filed a Special Leave Petition (SLP) before the Supreme Court, which was disposed of on January 27, 2025, with a direction that the DG of GST Intelligence should not be influenced by the High Court's findings while deciding the show cause notice. Subsequently, on February 26, 2025, the office of the Commissioner of Central Tax, Central Excise and Service Tax, Medchal Commissionerate, Hyderabad (Authorities) has confirmed the demand for CGST of Rs.3,413.34 Lakhs and SGST of Rs.3,413.34 Lakhs on annuity payments received from the NHAI (for the period from September 2017 to September 2022) as deferred payments under the Build-Operate-Transfer (BOT) model, classifying the works contract services under SACS 9954, and imposed a penalty of Rs.682.67 Lakhs. The three months time limit from the date of communicating the order to file the appeal has not lapsed. The Company is currently filing a writ petition challenging the Authority's order.

Management, relying on external opinion, anticipates a favourable outcome regarding annuity payments and believes there will be no adverse financial impact on the Company, as any GST levied will be recovered from NHAI. Therefore, no adjustment has been made in the financial statements pending the matter's final resolution.

34 The Company has subscribed for 328 Unsecured 0.01% Compulsorily Convertible Debentures (CCDs) of face value of Rs.10,00,000/- each aggregating to Rs.3,280 Lakhs of GMR SEZ & Port Holdings Limited (GSPHL) on preferential basis on December 17, 2024 by converting equivalent amount of existing loans including interest accrued thereon. CCDs are Compulsorily Convertible into 1,00,000 Equity Shares of face value of Rs.10/- each immediately on the expiry of 5 years from the date of allotment of CCDs. GSPHL is 100% subsidiary of GMR Power and Urban Infra Limited (GPUIL). GSPHL is engaged in the business of development of special investment regions and Industrial Estates / Parks and to carry on the business of property developers, builders, creators, operators, owners, contractors of all and any kind of infrastructure facilities and services. GPUIL is Holding Company for both the entities i.e. GMR Pochanpalli Expressways Limited and GMR SEZ and Port Holdings Private Limited. GPUIL has undertaken that it will buy these CCDs from Company on or before end of its concession period and also ensure that at no point of time during the currency of these CCDs, the Holding Company will bear any kind of loss on this investment in view of the same the fair valuation is considered at the cost of investment.

35 The Supreme Court (SC) had passed an order dated February 28, 2019 stating that for the purpose of contribution to be made under the Employees Provident Fund and Miscellaneous Provisions Act, 1956 ('EPF Act'), the definition of basic wages includes all emoluments paid in cash to the employees in accordance with the terms of their contract of employment. In view of the same, the Company is liable to make further contribution towards Provident Fund ('PF') on the entire salary paid by it to its employees other than certain emoluments based on performance and variable. However, there is no clarity on effective date from when the liability is required to be paid by the Company. As a matter of caution, the Company has accounted and paid the PF liability in terms of the SC order on a prospective basis from the date of the SC order i.e., April 1, 2019 onwards. The Company further will account and pay the differential PF liability if any, on receiving further clarity on the subject from the Provident Fund Authorities and the impact if any which in view of the Company is not expected to be material.

36 The Indian Parliament has approved the Code on Social Security, 2020 ('Code') which may impact the contribution by the Company towards Provident Fund and Gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed. The Company will complete its evaluation and will give appropriate impact, if any, in the financial results/statement following the Code becoming effective and the related rules being framed and notified.

37 The Management of the Company is of the opinion that no provision is required to be made in its books of account other than those already provided if any, with respect to any material foreseeable losses under the applicable laws, accounting standards or long term contracts. The Company does not have any derivative contracts.

38 Non-consideration of Service Concession Agreement adjustment for the purpose of computing Income under section 115JB of the Income Tax Act, 1961:

The Company had entered into concession agreement with National Highways Authority of India for rehabilitation and strengthening of existing 2-lane portion from km 367.000 (Adloor Yellareddy) to km 447.000 (Kalkallu), covering 80.745 kms, and Improvement, operation and maintenance of kms 447.000 (Kalkallu) - 464.000 (Gundla Pochanpalli) covering 17.00 kms on NH-7 in the state of Andhra Pradesh, to 4 lanes under a concession on build, operate and transfer (BOT).

Indian Accounting Standards (Ind AS) was made applicable to the Company from financial year (FY) 2016-17. Under Ind AS the company being an operator under Service Concession Agreement (SCA) entitled to fixed annuity has classified Carriageways as financial assets. The company in terms of the same is apportioning proportionate amount of Annuity received by it every year to the financial assets so that at the end of concession period the assets becomes NIL and the balance towards financing income and service revenue towards operations. The company accordingly is not charging any depreciation on carriageways as was done under IGAAP. Accordingly the proportionate amount of annuity charges to carriageways is not shown as income / revenue in the profit and loss account and similarly depreciation is not claimed as expenses as was done under IGAAP.

As per the provision of section 4 and 5 of the Income Tax Act, the above amount of Annuity which is not included in the profit and loss account is chargeable to tax under normal provision of Income Tax Act. Similarly, the company is eligible to claim expenses of periodic maintenance (overlay) and income tax depreciation under the normal provision of Act.

The Company while Computing Book Profit in terms of Section 115 JB of Income Tax Act 1961, upto FY 2022-23, has offered the above amount of annuity for tax and corresponding depreciation on carriageways (original cost of project road) and expenses towards periodic maintenance has been claimed while computing book profit under section 115JB of the Act as against the book profit arrived at in the financials based on the financial model in terms of applicable Indian Accounting Standards.

The Company's current tax expense upto FY 2022-23 reflects a provision based on profits reported in the financial statements, representing a prudent estimate of the year's tax liability. Following assessment and expiration of the reassessment period, the Company reversed an excess tax provision of Rs. 427.91 Lakhs for FY 2017-18. The remaining excess tax provisions of Rs. 865.98 Lakhs (up to FY 2022-23) will be finalized upon completion of income tax assessment proceedings, with adjustments made accordingly.

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39 The Company is engaged primarily in the business of Construction, Operation & Maintenance of Highways. As per the requirements of Ind AS 108, " Operating Segments", the principal revenue generating activities of the Company is from Operation & Maintenance of Highways which is regularly reviewed by the National Highways Authority of India (NHAI). Accordingly, the management is of the view the Company has a single reportable segment and the requirements of reporting on operating segments and related disclosures as envisaged in Indian Accounting Standard 108 is not applicable to the present activities of the Company.

The Company's only segment being Operation & Maintenance of Highways comprises of one customer which has contributed 100% of the revenue during the year.

40 The Company has initiated the process of Balance confirmations and is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management however does not expect any material difference affecting the current year's financial statements due to the same.

41 Employee Benefits

a) Defined Contribution Plans :

The Company's Contribution to Provident and Pension Fund and Superannuation Fund charged to Statement of Profit and Loss are as follows :

		Rupees in Lakhs
Particulars	**March 31, 2025**	**March 31, 2024**
Contribution to provident fund and other funds	39.35	34.87
Contribution to Superannuation fund	19.53	17.21
Total	**58.88**	**52.08**

b) The disclosures required as per the revised Ind AS 19 are as under:

The following tables set out the funded status of the gratuity plans and the amounts recognised in the Company's financial statements as at March 31, 2025 and March 31, 2024:

		Rupees in Lakhs
Particulars	**March 31, 2025**	**March 31, 2024**
i. Change in defined benefit obligation		
Defined benefit at the beginning	109.94	85.73
Current Service Cost	9.21	6.49
Interest expenses	6.74	6.95
Acquisition Cost/(Credit)	0.94	18.99
Remeasurements - Actuarial loss / (gain)	0.73	(8.22)
Benefits paid	(28.34)	-
Defined benefit at the end	**99.22**	**109.94**
ii. Change in fair value of plan assets:		
Fair value of Plan Assets at the beginning	85.60	80.00
Expected return on plan assets	4.71	5.60
Actuarial gains/ (losses)	-	(0.00)
Contributions by employer	-	-
Benefits paid	(28.34)	-
Fair value of plan assets at the end	**61.97**	**85.60**
iii. Amount Recognized in the Balance Sheet		
Present Value of Obligation as at year end	99.22	109.94
Fair Value of plan assets at year end	(61.97)	(85.60)
Net (asset) / liability recognised	**37.25**	**24.34**
iv. Amount recognized in the Statement of Profit and Loss under employee benefit expenses.		
Current Service Cost	9.21	6.49
Past Service Cost	-	-
Service cost	9.21	6.49
Net interest on net defined benefit liability / (asset)	2.03	1.35
Total	**11.24**	**7.84**
v. Recognised in other comprehensive income for the year		
Remeasurement of actuarial gains/(losses) arising from		
- changes in experience adjustments	(1.51)	(10.19)
- changes in financial assumption	2.24	1.97
- changes in demographic assumptions	-	-
Actuarial (gains)/ losses	0.73	(8.22)
- return on plan assets excluding interest income	-	0.00
Actuarial (Gain) or Loss recognized in other comprehensive income	**0.73**	**(8.22)**

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Particulars	March 31, 2025	Rupees in Lakhs March 31, 2024
vi. ***Maturity profile of defined benefit obligation***		
Within the next 12 months (next annual reporting period)	24.70	25.65
1-2 year	4.69	5.65
2-3 year	5.02	5.65
3-4 year	5.12	5.87
4-5 year	12.71	5.93
5-10 year	40.25	59.39
vii. ***Quantitative sensitivity analysis for significant assumptions is as below:***		
Increase / decrease on present value of defined benefit obligation as at year end		
(i) one percentage point increase in discount rate	(5.41)	(6.31)
(ii) one percentage point decrease in discount rate	6.07	7.09
(iii) one percentage point increase in salary escalation rate	5.15	6.23
(iv) one percentage point decrease in salary escalation rate	(4.67)	(5.64)
(v) one percentage point increase in employee turnover rate	0.44	0.70
(vi) one percentage point decrease in employee turnover rate	(0.49)	(0.77)

Sensitivity Analysis Method

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by percentage, keeping all the other actuarial assumptions constant.

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.

viii. ***The major category of plan assets as a percentage of the fair value of total plan assets are as follows:***

	March 31, 2025	March 31, 2024
Investment with Insurer managed funds - conventional products	100%	100%

The Company contributes all ascertained liabilities towards gratuity to the Life Insurance Corporation of India (LIC). As of March 31, 2025 and March 31, 2024, the plan assets have been invested in insurer managed funds.

ix. **The weighted average assumptions used to determine net periodic benefit cost for the year ended March 31, 2025 and March 31, 2024 are set out below:**

	March 31, 2025	March 31, 2024
Discount rate (p.a.)	6.60%	7.00%
Expected return on assets	8.00%	8.00%
Salary escalation Rate	6.00%	6.00%
Attrition rate	5.00%	5.00%
Retirement age	60 years	60 years
Mortality Table	Indian Assured Lives Mortality (2006-08) (modified) ULT	Indian Assured Lives Mortality (2006-08) (modified) ULT

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

Expected employer contributions for the year ending March 31, 2026 Rs.10/-.

c) **Leave Encashment**

Liability towards Leave Encashment based on Actuarial valuation amounts to Rs. 140.24 Lakhs as at March 31, 2025 [March 31, 2024: Rs. 137.80 Lakhs].

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited

42 **List of Related Parties with whom transactions have taken place during the year:**

a) **Names of the related parties and description of relationship**

Relationship	**Name of the related parties**
Holding Company	GMR Highways Limited (GHWL)
Enterprises having control over the Company	GMR Enterprises Private Limited [GEPL], (formerly known as GMR Holdings Private Limited) GMR Power and Urban Infra Limited [GPUIL] w.e.f. January 01, 2022
Fellow Subsidiary	GMR Energy Ltd (GEL) GMR Ambala Chandigarh Expressways Private Limited (GACEPL) GMR Hyderabad Vijayawada Expressways Private Ltd (GHVEPL) Raxa Security Services Limited (RSSL) Dhruvi Securities Private Limited (DSPL) GMR SEZ & Port Holdings Limited [GSPHL] Delhi International Airports Limited [DIAL]
Other entities - Enterprise where Key Management Personnel and their relatives exercise significant influence	GMR Varalakshmi Foundation (GVF)
Key Management Personnel	Mrs. Ramadevi Bommidala, Whole time director (from August 01, 2022) Mrs. Ragini Kiran Grandhi, Director (from May 01, 2016) Mr. O Bangaru Raju, President (from May 01, 2019) Mr. Arun Kumar Sharma, Director (from April 11, 2014) Mr. Bajrang Lal Gupta, Independent Director (from September 01, 2016) Mr. Mohan Rao M, Independent Director (till October 17, 2024) Mr. Ramakrishanan Ramamurthy, Additional Independent Director (from December 24, 2024)
Chief Financial Officer	Mr. Amit Kumar, CFO
Company Secretary	Mr. Paramjeet Singh, Company Secretary
Manager	Mr. Paranthaman Adimoolam (Manager, from February 23, 2019 till November 15, 2024) Mr. Jannela Venkata Ramana (Manager, from December 1, 2024 till February 22, 2025)

b) Details of the transactions with related parties are as follows :

Rupees in Lakhs

Particulars	**Relationship**	**March 31, 2025**	**March 31, 2024**
A. Items relating to statement of profit and loss			
a. Interest Income on Inter Corporate Deposit/Unsecured Loan given			
GHWL	Holding Company	1,877.83	1,792.76
GPUIL	Enterprises having control over the Company	1,424.62	1,463.22
DSPL	Fellow Subsidiary	28.24	26.78
GSPHL	Fellow Subsidiary	214.55	302.03
GACEPL	Fellow Subsidiary	33.94	31.89
b. Modification Loss /(reversal) on Loan given to related parties			
GHWL	Holding Company	1,158.74	976.58
GPUIL	Enterprises having control over the Company	818.51	562.44
DSPL	Fellow Subsidiary	20.19	18.21
GSPHL	Fellow Subsidiary	(56.17)	40.78
GACEPL	Fellow Subsidiary	16.09	12.49
c. Interest income on debentures			
GSPHL	Fellow Subsidiary	0.09	-
d. Interest on Liability portion of Preference Shares			
GPUIL	Enterprises having control over the Company	367.25	332.67
e. Share of Corporate Common expense			
GPUIL	Enterprises having control over the Company	72.87	36.90
f. Monthly Maintenance of Highways and toll construction			
GHWL	Holding Company	713.14	453.75
g. Change of scope work reimbursed			
GHWL	Holding Company	528.77	1,630.42

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited

	Particulars	Relationship	March 31, 2025	March 31, 2024
h.	Periodic maintenance of Highways expenses recognised			
	GHWL	Holding Company	1,957.38	1,947.82
	Periodic maintenance of Highways not recognised as expenses as per Ind AS 115			
	GHWL	Holding Company	555.19	2,250.30
i.	Charges for Security & Toll management services			
	RSSL	Fellow Subsidiary	113.38	107.28
j.	Unwinding Interest on Periodic Maintenance / (reversal)			
	GHWL	Holding Company	169.60	93.83
k.	Corporate Social Responsibility Expenses			
	GVF	Other Entities	-	62.70
l.	Trademark & Logo fees			
	GEPL	Enterprises having control over the Company	21.63	27.52
m.	Rent , Electricity and Maintenance			
	DIAL	Fellow Subsidiary	117.89	40.35
n.	Unwinding Interest on lease liability			
	DIAL	Fellow Subsidiary	23.79	23.85
o.	Depreciation on right of use assets			
	DIAL	Fellow Subsidiary	96.72	72.87
p.	Purchase of fixed assets			
	GHVEPL	Fellow Subsidiary	0.06	-
q.	Purchase of O&M stores and spares			
	GHVEPL	Fellow Subsidiary	86.15	-
r.	Reimbursement of IT Support Services & Consultancy charges			
	GHWL	Holding Company	8.97	10.51
s.	Reimbursement of Repairs and Maintenance			
	GHWL	Holding Company	29.95	9.16
t.	Reimbursement of fuel expense			
	DIAL	Fellow Subsidiary	-	1.42
B. Items relating to balance sheet				
a.	Equity shares outstanding			
	GHWL	Holding Company	13,593.00	13,593.00
	GPUIL	Enterprises having control over the Company	138.00	138.00
	GEL	Fellow Subsidiary	69.00	69.00
b.	Equity component of preference shares			
	GPUIL	Enterprises having control over the Company	3,620.95	3,620.95
c.	Liability portion of preference shares			
	GPUIL	Enterprises having control over the Company	3,805.13	3,437.88
d.	Unsecured Loan / inter corporate deposits given			
	GPUIL /(GIL)	Enterprises having control over the Company		
	Opening balance		12,150.56	12,150.56
	Add: Loan given during the year		-	-
	Less: Recovered during the year		-	-
	Closing Balance		12,150.56	12,150.56
	GHWL	Holding Company		
	Opening balance		11,809.92	11,809.92
	Add: Loan given during the year		-	70.00
	Less: Recovered during the year		-	(70.00)
	Closing Balance		11,809.92	11,809.92
	DSPL	Fellow Subsidiary		
	Opening balance		177.00	177.00
	Less: Recovered during the year		-	-
	Closing Balance		177.00	177.00
	GSPHL	Fellow Subsidiary		
	Opening balance		2,510.00	2,510.00
	Less: Converted into Compulsorily convertible debentures		(2,510.00)	-
	Closing Balance		-	2,510.00

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Rupees in Lakhs

Particulars		Relationship	March 31, 2025	March 31, 2024
	Unsecured Loan / inter corporate deposits given			
	GACEPL	Fellow Subsidiary		
	Opening balance		266.53	266.53
	Less: Recovered during the year		-	-
	Closing Balance		266.53	266.53
e.	Advance to supplier of goods / services			
	GHWL	Holding Company		
	Opening balance		1,510.98	1,311.95
	Add: Advance given during the year		1,398.44	1,986.64
	Less: Utilised during the year		(2,815.74)	(1,787.61)
	Closing Balance		93.68	1,510.98
	GPUIL	Holding Company		
	Opening balance		-	-
	Add: Advance given during the year		30.45	-
	Less: Utilised during the year		(28.70)	-
	Closing Balance		1.75	-
f.	Interest receivable on loan given (net of modification loss)			
	GPUIL	Enterprises having control over the Company	4,548.62	4,064.02
	GHWL	Holding Company	5,007.70	4,579.90
	DSPL	Fellow Subsidiary	82.40	76.12
	GSPHL	Fellow Subsidiary	-	536.40
	GACEPL	Fellow Subsidiary	78.27	63.09
g.	Investment in Compulsorily convertible debentures			
	GSPHL	Fellow Subsidiary	3,280.00	-
h.	Interest accrued on Compulsorily convertible debentures			
	GSPHL	Fellow Subsidiary	0.08	-
i.	Trade and other payables			
	GPUIL	Enterprises having control over the Company	11.01	15.02
	GEPL	Enterprises having control over the Company	21.61	32.45
	GHWL	Holding Company	489.18	285.61
	DIAL	Fellow Subsidiary	276.67	274.88
	RSSL	Fellow Subsidiary	9.66	10.73
	GHVEPL	Fellow Subsidiary	101.73	-
j.	Right of use assets:			
	DIAL	Fellow Subsidiary	145.22	241.94
k.	Lease liability payable:			
	DIAL	Fellow Subsidiary	171.60	260.23
l.	Provision for periodic maintenance			
	GHWL	Holding Company		
	Opening balance		11,117.07	10,720.76
	Add: Provision made during the year		724.79	2,344.13
	Less: Provision utilised during the year		(1,957.38)	(1,947.82)
	Less: Reversal of excess provision during the year		(1,617.54)	-
	Closing Balance		8,266.94	11,117.07

Notes:

i. Related Party Transactions given above are as identified by the Management.

ii. Commitments with related parties: As at year ended March 31, 2025 and March 31, 2024, there is no commitment outstanding with any of the related parties.

iii. 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 as approved by the Audit Committee. Outstanding balances at the year-end are unsecured and settlements occurs in cash. There have been no guarantees provided or received for any related party receivables or payables other than loans to related parties and support letter received for such loans granted from GMR Power and Urban Infra Limited [GPUIL]. For the year ended March 31, 2025 and March 31, 2024, the Company has assessed the credit risk of dues receivable from related parties in respect of loans outstanding and the management is of the view that there are no impairment/credit loss allowance to be considered other than those already provided under modification loss with regard to loss allowance and delay in repayment of interest. 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.

iv. For terms and condition related to Preference Share please refer Note no14.

GMR Pochanpalli Expressways Limited

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

c. Compensation of key management personnel of the company

Rupees in Lakhs

Particulars	March 31, 2025	March 31, 2024
a. Short-term employee benefits	381.18	337.97
b. Post-employment benefits (provident fund and superannuation fund)	26.22	24.59
c. Any other payment/benefit given to KMPs	3.45	2.90
Total	410.85	365.46

d. Transaction with Key Management Personnel

Rupees in Lakhs

Particulars	Remuneration						Outstanding loans/advances receivables
	Short-term employee benefits	Post employment benefits	Other long-term employee benefits	Termination benefits	Sitting Fee	Others - Reimbursements	
Mr. Bajrang Lal	-	-	-	-	1.65	-	-
Gupta	-	-	-	-	*(1.30)*	-	-
Mr. Ramakrishnan	-	-	-	-	0.30	-	-
Ramamurthy	-	-	-	-	-	-	-
Mr. Mohan	-	-	-	-	1.05	-	-
Rao M	-	-	-	-	*(1.30)*	-	-
Mrs. Ramadevi	102.73	8.31	-	-	-	-	-
Bommidala	*(93.91)*	*(7.55)*	-	-	-	-	*(1.32)*
Mrs. Ragini Kiran	-	-	-	-	0.45	-	-
Grandhi	-	-	-	-	*(0.30)*	-	-
Mr. O Bangaru Raju	258.04	16.79	-	-	-	-	-
	(224.62)	*(15.43)*	-	-	-	-	-
Mr. Jannela	6.98	0.05	-	-	-	-	-
Venkata Ramana	-	-	-	-	-	-	-
Mr. Paranthaman	13.43	1.07	-	-	-	-	-
Adimoolam	*(19.44)*	*(1.61)*	-	-	-	-	-

Previous year are in () brackets

Note:

Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

43 Ratio Analysis

Sl	Ratios	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance	Remarks
a)	Current Ratio	Current Asset	Current liabilities	4.44	4.36	2%	NA
b)	Debt-Equity Ratio	Debt including lease liabilities and interest accrued thereon	Total Equity	0.47	0.64	-27%	Debt is decreased due to redemption of NCD
c)	Debt Service Coverage Ratio	Earnings before Tax + Depreciation + Interest on secured debts + interest on lease liability	Debt redemptions and interest on debt and payment of lease liabilities and interest thereon	0.34	0.33	5%	NA
d)	Return on Equity Ratio	Profit after tax	Average Shareholders equity (less DRR)	2.73%	-0.34%	-906%	Net loss during previous year due to modification loss under SCA.
e)	Inventory turnover ratio	Revenue from operations	Average Inventories	140.26	428.12	-67%	Due to increase in inventory items during the year

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited

Sl	Ratios	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance	Remarks
f)	Trade/SCA Receivables turnover ratio	Revenue from operations	Average of service concession assets (SCA) receivables	1.76	0.78	126%	Increased due to recognition of revenue on over lay work during the year
g)	Trade payables turnover ratio	Operating expenses, Employee benefits expense, Other expenses other than fair value changes (net of provisions movement)	Average Trade payable	6.78	2.94	131%	Increased due to increase in overlay work under operating expenses during the year.
h)	Net capital turnover ratio	Total Income	Working Capital (current assets minus current liabilities)	27.05%	24.75%	9%	Increased due to reduction in current assets, loans during the year.
i)	Net profit ratio	Net profit after tax	Total Income	5.18%	-0.60%	-962%	Increased due to profit after tax as compared with net loss during previous year.
j)	Return on Capital employed	Earning before Interest and taxes	Tangible net worth + Total Debt + Deferred Tax liabilities	4.48%	3.93%	14%	Increased due to redemption of Debt during the year.
k)	Return on investment	Interest Income	Investment (including unsecured Loans, deposit with banks and investments)	11.65%	11.48%	1%	Increased due to decrease in average current assets

44 Corporate Social Responsibility

Company is covered under section 135 of the Companies Act, 2013 ('the Act') and the details thereof is given below

Rupees in Lakhs

	Particulars	March 31, 2025	March 31, 2024
a)	Amount required to be spent by the company for the year	-	62.70
b)	Amount of expenditure incurred	-	62.70
c)	Shortfall at the end of the year	Nil	Nil
d)	Total of previous year shortfall	Nil	Nil
e)	Reason for shortfall	NA	NA
f)	Nature of CSR activities	NA	Education & Community Development
g)	Name of the trust	NA	GMR Varalakshmi Foundation
h)	Whether provision is made in relation to liability incurred	NA	NA

During the year 2024-25, the Company is not required to contribute towards Corporate Social Responsibility ("CSR") as none of the criteria set under section 135(1) of the Act are applicable to the company.

The Company's social responsibility initiatives are implemented through GMR Varalakshmi Foundation (GMRVF), the CSR arm of the GMR Group. The activities cover awareness about Preventive Health Care & Sanitation and Promoting Education including Vocational Skills. The Company has spent CSR amount through GMRVF Rs. Nil (March 31, 2024 : Rs.62.70 Lakhs). Amount spent directly by the Company is Rs.Nil (March 31, 2024 : Rs.Nil).

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45 Other statutory information

i) There are no balance outstanding on account of any transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

ii) The Company do not have any capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

iii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

vi) The Company does not own any immovable property and accordingly the title deeds not held in name of the Company does not arise.

vii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

viii) The Company has not been declared wilful defaulter by any bank of financial institution of other lender.

ix) The Company has complied with the number of layers prescribed under clause 87 of Section 2 of the Act read with Companies (Restriction on number of Layers) Rules 2017.

x) The Company does not have any scheme of arrangement that has been approved by the Competent Authority during the financial year in terms of sections 230 to 237 of the Companies Act, 2013.

xi) The Company has neither transacted in Crypto or Virtual Currency during the year nor held any Crypto or Virtual Currency as at the Balance Sheet date.

The Company do not have any borrowings from banks and financial institutions as on balance sheet date, hence using borrowed funds for the specific purpose for which it was taken does not arise. The Company had used the proceeds of debentures in the year of issuance of debentures for the purpose it was raised.

The Company is not required to file the quarterly return/ statement of current assets with bank and financial institutions as the company does not have any borrowings from bank and financial institutions.

46 Salient aspects of Service Concession Arrangement

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

The Concession period is 20 year commencing from the commencement date .i.e. September 27, 2006

NHAI has further granted the exclusive right and authority during the concession period in accordance with terms and condition of the agreement to:

- to develop, design, engineer, finance, procure, construct, operate and maintain the Project Highway during the Concession Period.
- upon Completion of the Project Highway and during the Operation Period to manage, operate & maintain the Project Highway and regulate the use thereof by third parties.
- to allow NHAI to levy, demand, collect and appropriate the Fees from vehicles and persons liable to payment of Fees for using the Project Highway or any part thereof.
- perform and fulfil all of the obligations under this agreement.
- bear and pay all expenses, costs and charges incurred in the fulfilment of all the obligations under this Agreement.
- not assign or create any lien or Encumbrance on the Concession hereby granted on the whole or any part of the Project Highway nor transfer, lease or part possession therewith save and except as expressly permitted by this Agreement or the Substitution Agreement.

Annuity

Subject to the provisions of the Concession Agreement and in consideration of the Company accepting the Concession and undertaking to perform and discharge its obligations in accordance with the terms, conditions and covenants set forth in this agreement, NHAI agrees and undertake to pay to the Concessionaire, on each Annuity Payment Date, the sum of Rs.5,418 Lakhs.

The Company should not levy, demand or collect from or in respect of any vehicle or Person, for the use of Project Facilities, any sum whatsoever in the nature of a toll or fee.

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

Concession Fee

In consideration of the grant of Concession under this Agreement, the Concession fee payable by the Company to the NHAI is Rs. 1 per year during the terms of the concession agreement.

CHATURVEDI & SHAH LLP CHARTERED ACCOUNTANTS MUMBAI

GMR Pochanpalli Expressways Limited

Operation and Maintenance

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

i. permitting safe, smooth and uninterrupted flow of traffic during normal operating conditions.
ii. to allow NHAI to levy, demand, collect and appropriate the Fees from vehicles and persons liable to payment of Fees for using the Project Highway or any part thereof as per Article VII of the Concession Agreement
iii. minimizing disruption to traffic in the event of accidents or other incidents affecting the safety and use of the Project Highway by providing a rapid and effective response and maintaining liaison procedures with emergency services.
iv. undertaking routine maintenance including prompt repairs of potholes, cracks, Concrete joints, drains, line marking, lighting and signage.
v. undertaking periodic maintenance such as resurfacing of pavements, repairs to structures and hardware and other equipment.
vi. carrying out periodic preventive maintenance to Project Highway.
vii. preventing with the assistance of concerned law enforcement agencies unauthorised entry to and exit from the Project Highway.
viii. preventing with the assistance of the concerned law enforcement agencies encroachments on the Project Highway including site and preserve the right of way of the Project Highway.
ix. maintaining a public relations unit to interface with and attend to suggestions from users of the Project Highway, the media, Government Agencies, and other external agencies.
x. adherence to the safety standards.

Monitoring and Supervision during Operation

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

47 Figures of the previous year wherever necessary, have been regrouped and rearranged to conform with those of the current year.

As per our review report of even date attached
For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number : 101720W / W100355

Lalit R Mhaisekar
Partner
Membership No.: 103418

Date : April 21, 2025
Place : New Delhi

For and on behalf of the Board of Directors of
GMR Pochanpalli Expressways Limited

Arun Kumar Sharma
Director
DIN: 02281905

Bajrang Lal Gupta
Director
DIN: 07175777

Amit Kumar
Chief Financial Officer
Membership no. 500164

Paramjeet Singh
Company Secretary
Membership no. A18789

Date : April 21, 2025
Place : New Delhi

CHATURVEDI & SHAH LLP * MUMBAI * CHARTERED ACCOUNTANTS

GMR Pochanpalli Expressways Limited