



GAYATRI LALITPUR ROADWAYS LIMITED



"Infrastructure is the life line of an economy and we add our bit to it"

14th ANNUAL REPORT 2019-20

CORPORATE INFORMATION**BOARD OF DIRECTORS**

Mr. J. Brij Mohan Reddy	Chairman	DIN: 00012927
Mr. M.V. Narasimha Rao	Independent Director	DIN: 06761474
Mr. Bajrang Lal Gupta	Independent Director	DIN: 07175777
Mr. Narayanan Gopalakrishnan [Appointed on 15.05.2020]	Nominee Director	DIN: 05166322

MANAGER

Mr. Rautan Singh

COMPANY SECRETARY

Ms. C. Shalini

CHIEF FINANCIAL OFFICER

Mr. U. Nagendra Varma

AUDIT COMMITTEE

Mr. M.V. Narasimha Rao	- Chairman
Mr. Bajrang Lal Gupta	- Member
Mr. J. Brij Mohan Reddy	- Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. M.V. Narasimha Rao	- Chairman
Mr. J. Brij Mohan Reddy	- Member
Mr. Bajrang Lal Gupta	- Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. J. Brij Mohan Reddy	- Chairman
Ms. M.V. Narasimha Rao	- Member
Mr. Bajrang Lal Gupta	- Member

AUDITORS

M/s. N. C. Mittal & Co
Chartered Accountants
Behl House, 13, Daryaganj

New Delhi – 110002

BANKERS & FINANCIAL INSTITUTIONS

Canara Bank

Punjab National Bank

United Bank of India

IDFC First Bank (IDFC)

India Infrastructure Finance Company Limited (IIFCL)

REGISTRARS & SHARE TRANSFER AGENTS

M/s. Bigshare Services Private Limited

306, Right Wing, Amrutha Ville

Opp. Yashoda Hospital, Somajiguda,

Rajbhavan Road, Hyderabad-500082,

Telangana -India.

REGISTERED & CORPORATE OFFICE

6-3-1090, T.S.R Towers,

Rajbhavan Road, Somajiguda,

Hyderabad – 500 082, Telangana.

Tel: +91-40-23310330, 23314284

Fax: +91-40-23398435

Email: ghl@gayatrihighways.com

CIN: U45203TG2006PLC050554

CONCESSIONING AUTHORITY

NATIONAL HIGHWAYS AUTHORITY OF INDIA

G – 5 & 6, Sector – 10,

Dwarka, New Delhi – 110 075

BOARD'S REPORT

To
The Members,

Your Board of Directors have immense pleasure in presenting the 14th Annual Report of your Company and is prepared based on the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2020.

1. STATE OF COMPANY AFFAIRS**(a) FINANCIAL SUMMARY:**

The following table depicts the financial results of your Company for the year ending 31st March 2020:

S. No.	Particulars	For the year ended 31.03.2020 (in Rs.)	For the year ended 31.03.2019 (in Rs.)
1)	INCOME		
	Revenue from operations	10,17,30,100	9,57,29,795
	Other income	2,72,96,974	1,05,38,502
	Finance income	28,42,21,165	25,84,40,935
	TOTAL	41,32,48,239	36,47,09,232
2)	EXPENDITURE		
	Employee Benefits Expense	1,15,38,667	96,32,705
	Finance Costs	14,31,46,451	21,46,56,578
	Depreciation & Amortization expense	3,503	3,494
	Other Expenses	14,20,92,337	14,94,43,453
	TOTAL	29,67,80,958	37,37,36,230
3)	Profit/(Loss) before tax from continuing operations	11,64,67,281	(90,26,998)
	- Current Tax	2,15,06,298	-
	- MAT Credit Entitlement	(2,15,06,298)	-
4)	Profit / (Loss) for the year	11,64,67,281	(90,26,998)
	Other comprehensive income	(33,186)	33,992
5)	Total comprehensive income for the year	11,65,00,467	(90,60,990)
	Earnings per Share – Basic & Diluted	3.66	(0.28)

(b) O&M WORKS AT THE PROJECT SITE:

Your Company is regularly doing the Operations & Maintenance of the Project Highway as per the stipulations under the Concession Agreement.

(c) ANNUITY RECEIPTS FROM NHAI:

During the Financial Year 2019-20, your Company has received 21st Annuity and 22nd Annuity from NHAI as per the following table:

S. No.	Particulars of Annuity	21 st Annuity Due on 27.09.2019	22 nd Annuity Due on 27.03.2020
1	Gross Annuity Amount	23,95,00,000	23,95,00,000
2	Less: TDS recovered	47,90,000	47,90,000
3	Net Annuity Receivable	23,47,10,000	23,47,10,000
4	Annuity Received on 27.09.2019	23,47,10,000	
5	Annuity Received on 27.03.2020 & 30.03.2020		23,47,10,000

The Annuity amounts are being utilized to meet O&M Expenses, debt-servicing obligations, i.e. payment of Interest on Term Loans and repayment of Principal Installments, Major Maintenance Reserve, administrative expenses and other project related costs.

(d) TERM LOANS AND INTEREST THEREON:

During the financial year under review, your Company was regular in servicing interest on Term Loans, due to regular receipt of Annuity from NHAI.

The following table shows the Principal Term Loan outstanding, as on 31st March 2020:

Rs. in Crores					
S. No.	Name of the Lender	Sanctioned	Disbursed	Repayment	Outstanding
1	IDFC First Bank - Sr Debt	32.57	32.08	15.01	17.07
2	IDFC First Bank - Sub Debt	19.00	18.71	7.47	11.24
3	Canara Bank	50.00	48.24	23.04	25.20
4	Punjab National Bank	50.00	49.24	23.04	26.20
5	United Bank of India	50.00	49.24	23.37	25.87
6	IIFCL	51.00	50.23	23.50	26.73
	Total	252.57	247.74	98.04	132.31

(e) CREDIT RATING:

Your Company is presently rated CARE A+ by Care Ratings and BWR (A+) by Brickwork Ratings. The Credit Rating of your Company has improved owing to timely debt-servicing to the lenders and completion of 1st Major Maintenance Work.

(f) IMPACT OF COVID-19 ON PERFORMANCE OF THE COMPANY

The members are well aware that the new corona virus (COVID -19) has spread to nearly every country in the world since it first emerged in China at the beginning of the year. A large number of people are infected and died all over the world and in our Country.

The Government of India initiated serious steps to contain the Covid-19. On 19.03.2020, the Prime Minister of India requested the citizens of the Country to strictly observe the "Janata Curfew" from 22.03.2020 in his National Speech. Further, the Government of India has ordered for a complete lockdown for 21 days from 25.03.2020 to 14.04.2020. Since, the numbers of infections are increasing day by day; the Central Govt. as well as all the State Governments has again extended the lockdown period till 03.05.2020 with a conditional relaxation for the regions where the spread had been contained. On 1 May, the Government of India extended the nationwide lockdown further by two weeks until 17 May. The Government has divided the entire nation into three zones—green, red and orange—with relaxations applied accordingly. On 17 May 2020, nationwide lockdown was further extended till 31 May, 2020 by National Disaster Management Authority. The lockdown restrictions are being relaxed in a calibrated manner leading to gradual pick-up in economic activity.

We all are aware of the fact that the entire world is collectively entangled in fighting the Coronavirus/ COVID-19 pandemic, businesses are facing several financial and physical hardships due to the mandatory government lockdowns. With there being no visibility regarding the duration of the lockdown coupled with the fact that no known cure or vaccine is available to fight the pandemic, everyone is left with great deal of uncertainty and anticipation over the 'new normal'.

Impact on Company's business:

The Company is a Special Purpose Vehicle incorporated for execution of project "Improvement, Operation and Maintenance, Rehabilitation and Strengthening of existing 2-lane Road and widening to 4-lane Divided Highway of NH-25/26 in the state of Uttar Pradesh on Build Operate Transfer (BOT) on Annuity Basis". During the Financial Year 2019-20, the Company has received 2 annuities on due dates and had no impact of COVID-19 on the performance of the Company during the year. We would like to highlight that the Company has received 21st Annuity on 27.03.2020 which was due on 27.03.2020 during the lockdown period.

Since the receipt of the Annuities are from the Government/ public sector entity i.e., NHAI, the risk of non-payment of annuities for the financial year 2020-21 is very low. However, there may be slight delays in payment of annuities from NHAI due to the ongoing COVID-19 pandemic. The Company is confident that the Covid-19 may not make any material impact on the company's revenue and operations.

2. FUTURE OUTLOOK

➤ **Receipt of Annuity:**

In view of the Supplementary Concession Agreement and also in view of the receipt of Letter of Credit from NHAI, receipt of future Annuities is assured and thereby, your Company is confident of timely debt-servicing to the lenders.

➤ **Repayment of Principal Loan installments as per the schedule:**

As in the past, your Company will be remitting the principal installments of repayment of Term Loans in accordance with the terms and conditions of the reschedulement of Term Loans approved by the lenders.

➤ **Sale of Asset:**

The Sponsors of your Company are considering the sale of the project asset if they get expected consideration.

➤ **Escalation claims / Change of Scope claims / Overlay Matter (Major Maintenance):**

a) Status of arbitration in respect of escalation/cost overrun claims:

Background of Dispute:

The Company (GLRL) had incurred additional costs on account prolongation of construction period and reasons for delay on part of NHAI. Hence, GLRL raised claims against NHAI. The NHAI has been denied claims on purported grounds. Therefore, disputes were arisen between parties. Consequently, the parties were referred disputes to the Arbitration. The Arbitration Tribunal ("AT") deliberated all the disputes and delivered Award on 29.03.2019.

Arbitration Tribunal Award:

The Company has received Arbitration Award on 06.05.2019. In this matter, there is no Majority Award, three AT members were delivered three difference Awards as details given below:

- (i) Presiding Arbitrator Award amount – Rs. :11.39 Cr (Rs. 10.36 + 1.03);
- (ii) Claimant's Nominee Arbitrator Award amount – Rs.: 42.33 Cr (Rs. 30.93 + 11.39);
- (iii) Respondent's Nominee Arbitrator Award amount – Rs.: 3.53 Cr

Present Status:

GLRL challenged AT Award under Section-34 of Arbitration and Conciliation Act, 1996. It is pending before the High Court of Delhi in OMP (Comm.) No. 386 of 2019. NHAI has filed a counter petition which is OMP (Comm). No. 450 of 2019.

b) Status of Change of Scope Arbitration:

Background of Dispute:

The NHAI issued an unwarranted letter dated 19.09.2018 to the Escrow Bank to release a sum of Rs 18.78 Crores towards Negative Change of scope works. GLRL had protested the same and approached the High Court of Delhi under Section-9 of Arbitration Act to restrain NHAI from taking any coercive steps against the GLRL till adjudication of the instant disputes. Hon'ble High Court of Delhi granted stay on

recovery and Arbitral Tribunal (AT) was constituted for this matter. The Hon'ble High Court transferred the matter to Arbitral Tribunal and granted stay till disposal of AT.

The Arbitral Tribunal was constituted with Ajit Mohan Sharan, IAS (Retd), Shri S.C.Parija, former Judge, Orissa High Court, Presiding Arbitrator and Shri N.K.Bahri, Arbitrator.

As per AT directions, the GLRL filed statement of Claim on 11.02.2019 and prayed to pass an award in favour of Claimant against the NHAI granting an amount of Rs 10.06 Crores towards cost of change of scope of items additionally executed by the GLRL in the project.

Present status:

AT Award was published on 28.01.2020. AT Awarded in favour of the Company an amount of Rs 10.06 Crores with interest 12% per annum from 03.09.2016 till realization of payment.

c) Status of Overlay Matter (Major Maintenance):

NHAI had issued notice dated 29.11.2019 to the Company to recover an amount of Rs 9.16 Crores plus interest @ SBI PLR+2% from 18.05.2017 to the date of payment towards alleged recovery of damages on account of delay in completion of over lay (1st Major Maintenance Works). GLRL filed Section 9 petition [OMP (I) (COMM) 42/2020] before the Hon'ble High Court of Delhi. GLRL got stay order on this matter.

3. EXTRACT OF ANNUAL RETURN

The Extracts of Annual Return is prepared in Form No.MGT.-9 as per the provisions of section 92(3) of the Companies Act, 2013 ("Act") read with Rule 12 of Companies (Management and Administration) Rules, 2014, and the same is annexed as **Annexure-1**.

4. BOARD MEETINGS

During the year ended 31st March, 2020, the Minimum number of Four Board Meetings were convened and held. The intervening gap between the two consecutive Meetings was within the period prescribed under the Companies Act, 2013.

The dates on which the Board meetings were held are 26th April, 2019, 02nd August, 2019, 23rd October, 2019 and 28th January, 2020.

Attendance of Directors at the meetings:

The details of the attendance of the Directors at the Board meetings held during the year ended 31st March, 2020.

Name of the Director	Number of Board Meetings	
	Held	Attended
J. Brij Mohan Reddy	4	4
Sachin Johri	4	4

M.V. Narasimha Rao	4	4
Bajrang Lal Gupta	4	4

Audit Committee Meetings

During the year ended 31st March, 2020, Four Audit Committee Meetings were convened and held. The dates on which the Audit Committee meetings were held are 25th April 2019, 02nd August 2019, 23rd October 2019 and 28th January 2020.

Attendance of Members at the meetings:

The details of the attendance of the Directors at the Audit Committee meetings held during the year ended 31st March, 2020.

Name of the Director	Number of Audit Committee Meetings	
	Held	Attended
J. Brij Mohan Reddy	4	4
M.V. Narasimha Rao	4	4
Bajrang Lal Gupta	4	4
Sachin Johri	4	4

Nomination and Remuneration Committee Meetings

During the year ended 31st March, 2020, One Nomination & Remuneration Committee Meeting were convened and held. The Nomination & Remuneration Committee meeting was held on 27th January, 2020.

Attendance of Directors at the meetings:

The details of the attendance of the Directors at the Nomination & Remuneration Committee meetings held during the year ended 31st March, 2020.

Name of the Director	Number of Nomination & Remuneration Committee Meetings	
	Held	Attended
J Brij Mohan Reddy	1	1
M.V. Narasimha Rao	1	1
Bajrang Lal Gupta	1	1

Separate meeting of Independent Directors

One separate meeting of independent directors was held during the year without the presence of non-independent directors and members of the management to assess the quality, quantity and timelines of flow of information between the Company Management and the Board.

5. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual accounts for the year ended 31st March 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies were selected and applied them consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2020 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual accounts have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such system were adequate and operating effectively.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following are the changes in the Directors and Key Managerial Personnel during the period:

- a) Ms. C. Shalini was appointed as Company Secretary of the Company with effect from 28th January 2020.
- b) No Independent Director was appointed during the period, so a statement regarding opinion of the Board with regard to integrity, expertise and experience including the proficiency is not applicable.

The following are the changes in the Directors and Key Managerial Personnel after 31.03.2020:

- c) Mr. Sachin Johri resigned from the directorship of the company with effect from 30th April 2020.
- d) Mr. Narayanan Gopalakrishnan was appointed as Nominee Director with effect from 15th May 2020.

7. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All The Independent Directors have submitted the declaration of independence, as required under to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6).

8. RE-APPOINTMENTS

Mr. J. Brij Mohan Reddy, Director of the Company is retiring by rotation and being eligible, offers himself for re-appointment.

9. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee discusses and decides the appointment of the Board of Directors and their remuneration including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Act.

The Committee headed by Mr. M.V. Narasimha Rao as a Chairman and Mr. B.L. Gupta and Mr. J. Brij Mohan Reddy, members of the Committee.

The Committee meetings are held as and when required by the Company.

10. AUDITORS REPORT

There are no qualifications in the Auditors Report. No fraud has been reported by the Auditors

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with the related parties referred to in Section 188 of the Act are given in the Form AOC – 2, and is annexed as Annexure-2.

13. TRANSFER OF AMOUNT TO RESERVES

The Company does not propose to transfer any amount to any reserves for the Financial Year ended 31st March, 2020.

14. DIVIDEND

The Board of Directors does not recommend any dividend on the Equity Shares for the financial year ended 31st March, 2020.

15. MATERIAL CHANGES AND COMMITMENTS

There are 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.

There has been no change in the nature of business of the Company.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information and details relating to Conservation of Energy, and Technology absorption do not apply to the company and there are no Foreign Exchange Earnings and Outgo during the period as required under Section 134(3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014 is Nil.

17. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The source of income for your Company is Annuity from NHAI as per the Concession Agreement and income earned out of temporary deployment of funds. Annuity from NHAI accounts for almost 98% of the total income of your Company. Since the Annuities are payable by NHAI in accordance with the Concession Agreement, your Company does not foresee any significant risk in receipt of these Annuities, in view of the fact that a revolving Letter of Credit has been obtained from NHAI, securing all future annuities. Your Company is ensuring that the conditions of the Concession Agreement are complied with, to ensure timely receipt of Annuities.

Your Company has also ensured that proper systems are planned, implemented and effectively monitored to ensure that all accounting and financial transactions are properly authorized and recorded, so as to ensure that the financial statements are free from material misstatements.

18. POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR

The policy developed and implemented by the Company on Corporate Social Responsibility initiatives taken during the year is Nil as the relevant provisions of the Companies Act, 2013 in this regard are not applicable to the Company.

19. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually, independent directors by the entire Board of Directors and working of its Audit committee, and Nomination and Remuneration Committees.

20. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

21. SUBSIDIARY COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATE COMPANIES

During the Financial Year ending on 31st March 2020, your Company had no subsidiaries and associate companies.

The names of companies which have become or ceased to be Company's Subsidiaries, joint ventures or associate companies during the year

During the Financial Year, no company is ceased as Company's Subsidiary, joint venture or associate company.

22. CONSOLIDATED FINANCIAL STATEMENTS

As the Company does not have any subsidiary or associate companies, the Consolidated Financial Statements are not applicable.

23. STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

As the Company does not have any subsidiary or associate companies, so the statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures is not applicable.

24. DEPOSITS

The Company has not accepted any deposits from the public in terms of Section 73 of the Act, and the Companies (Acceptance of Deposits) Rules, 2014.

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

26. STATUTORY AUDITORS

M/s. N. C. Mittal & Co, Chartered Accountants (Firm Registration No. 000237N), were appointed as statutory auditors of the Company to hold office from the conclusion of the 13th AGM until the conclusion of the 18th AGM to be held in the year 2024.

27. PARTICULARS OF EMPLOYEES

There are no employees who come under the purview of Section 197 of the Act read with Rule , 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

28. VIGIL MECHANISM

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy are available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company.

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

Your Company has ensured that appropriate policies and procedures are adopted for ensuring orderly and efficient conduct of the business, including adherence to Company's policies, the safeguarding of its assets, prevention and detection of fraud and error, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

30. SECRETARIAL AUDITOR

As per Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI Regulations"] every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice, in Form No. MR - 3 as specified under Section 204 of the Act and the rules made thereunder with effect from the year ended 31st March, 2020.

Your Company being a material unlisted subsidiary of the listed Company i.e., Gayatri Highways Limited, hence the Company has appointed Mr. C.N. Kranthi Kumar, Practicing Company Secretary in Practice, a Peer Reviewed Unit [No. 612 / 2019], as a Secretarial Auditor for the Financial Year 2019-20 to comply with the SEBI Regulations, 2015.

31. SECRETARIAL AUDIT REPORT

The Secretarial Audit Report issued by the Secretarial Auditor, does not have any observations / qualification / reservation / adverse remarks / matters of non-compliances. The report is annexed as **Annexure-3**.

32. MAINTENANCE OF COST RECORDS

The Company is maintaining the Cost Records as specified by the Central Government under Section 148 of the Act,

33. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company lays emphasis on competence and commitment of its human capital recognizing its pivotal role for organizational growth.

During the year, the Company maintained a record of peaceful employee relations. Your Directors wish to place on record their appreciation for the commitment shown by the employees throughout the year.

34. INTERNAL COMPLAINTS COMMITTEE

The Company is not required to comply with the provisions of constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

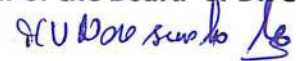
35. ACKNOWLEDGEMENTS

Your Directors express their appreciation to the Company's Regulatory, Professional & Local Bodies, Bankers, Financial Institutions Auditors, Customers, Consultants, Service Providers for their continues co-operation and support, and the Members for their confidence in the management of the Company.



J. BRIJ MOHAN REDDY

For and on behalf of the Board of Directors



M.V. NARASIMHA RAO

Place: **Hyderabad**

Date: **23.07.2020**

Director

DIN: 00012927

Director

DIN: 06761474

Form No. MGT-9

1

Annexure- 1

EXTRACT OF ANNUAL RETURN
as on the financial year ended 31.03.2020
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:	
CIN	U45203TG2006PLC050554
Registration Date	07/07/2006
Name of the Company	Gayatri Lalitpur Roadways Limited
Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non Government Company
Address of the Registered Office and contact details	6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: ghl@gayatrihighways.com , Tel: 040-23310330
Whether listed company	Unlisted
Name, address and contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PVT. LTD. Branch Office: 306, Right Wing, Amrutha Ville, Opp, Yasodha Hospital, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: bsshyd@bigshareonline.com , Tel: 040- 23374967

II. Principal Business Activities of the Company			
All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:			
Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Construction of Roads	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -					
Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Gayatri Highways Ltd 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad- 500082.	L45100TG2006PLC052146	Holding	51.00	2(46)

V. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

) Category-wise Share Holding

[illegible]

Custodian for GDRs & ADRs									
Grand Total (A+B+C)	3,17,98,000	6	3,17,98,006	100	3,17,98,000	6	3,17,98,006	100	0

ii) Shareholding of Promoters

S.No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Gayatri Projects Ltd (Nomine of GHL)	100	0.0003	0.0003	100	0.0003	0.0003	-
2	T V Sandeep Kumar Reddy	1	0.000003	-	1	0.000003	-	-
3	T Indira Reddy	1	0.000003	-	1	0.000003	-	-
4	Gayatri Highways Ltd	1,62,17,900	51.002903	51.0032	1,62,17,900	51.002903	51.0032	-
Total		1,62,18,002	51.003206	51.0032	1,62,18,002	51.003206	51.0032	-

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

S. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,62,18,002	51.00321	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	NIL	NIL	-	-
	At the end of the year	1,62,18,002	51.00321	-	-

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,55,80,004	48.996812	-	-
	Date wise Increase / Decrease in Share holding during the	-	-	-	-

	year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)	1,55,80,004	48.996812	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,49,67,93,159	-	-	1,49,67,93,159
ii) Interest due but not paid				-
iii) Interest	2,67,60,583			2,67,60,583

accrued but not				
Total (i+ii+iii)	1,52,35,53,742	-	-	1,52,35,53,742
Change in Indebtedness during the financial year				
Addition				
Reduction	19,04,71,830	-	-	19,04,71,830
Net Change	19,04,71,830	-	-	19,04,71,830
Indebtedness at the end of the financial year				
i) Principal Amount	1,32,30,30,669	-	-	1,32,30,30,669
ii) Interest due but not paid				-
iii) Interest accrued but not due	1,00,51,243			1,00,51,243
Total (i+ii+iii)	1,33,30,81,912	-	-	1,33,30,81,912

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961			
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961			
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission as % of profit			
	others, specify...			
5.	Others, please specify			
	Total (A)			
	Ceiling as per the Act			

B B. Remuneration to other directors:

1. Independent Directors

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. M.V.N. Rao	Mr. B.L. Gupta	

-Fee for attending Board/Committee Meetings	Rs. 50,000	Rs.50,000	Rs.1,00,000
-Commission			
- Others, please specify			
Total (B)(1)	Rs. 50,000	Rs.50,000	Rs.1,00,000

2. Other Non Executive Directors

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
	-Fee for attending Board/Committee Meetings	-	-	-
	-Commission	-	-	-
	- Others, please specify	-	-	-
	Total (B)(2)	-	-	-
	Total (B)= (B)(1)+ (B)(2)	Rs. 50,000	Rs.50,000	Rs.1,00,000


C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (Rs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	2,16,800	9,60,000	11,76,800
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	2,16,800	9,60,000	11,76,800


VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: -N.A.-

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

Place: **Hyderabad**
Date: **23-07-2020**


J. BRIJ MOHAN REDDY
Director
DIN: 00012927

For and on behalf of the Board


M.V. NARASIMHA RAO
Director
DIN: 06761474

ANNEXURE-2

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 arms length transactions under third proviso thereto

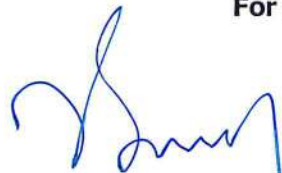
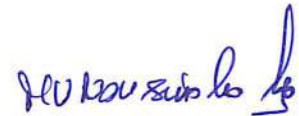
1. Details of contracts or arrangements or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship	Nil
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

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

(a) Name(s) of the related party and nature of relationship	During the year, no material contracts or arrangements have been entered into by the Company.
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	
(e) Date(s) of approval by the Board, if any:	
(f) Amount paid as advances, if any:	

For and on behalf of the Board

Place: **Hyderabad**Date: **23.07.2020**

J. BRIJ MOHAN REDDY**Director****DIN: 00012927**

M.V. NARASIMHA RAO**Director****DIN: 06761474**



FORM NO. MR - 3
Secretarial Audit Report
for the financial year ended 31st March, 2020

To

The Members

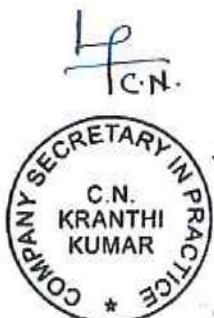
Gayatri Lalitpur Roadways Limited,
 6-3-1090, TSR Towers, RajBhavan Road,
 Somajiguda, Hyderabad - 500082, Telangana.

I have conducted the Secretarial Audit for compliance of applicable statutory provisions and the adherence to good corporate practices by Gayatri Lalitpur Roadways Limited, CIN: U45203TG2006PLC050554 (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records [as provided to me] maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31-03-2020 (hereinafter called the "Audit Period" starting from 01-04-2019 to 31-03-2020) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period according to the provisions of:

- I. The Companies Act, 2013 ('the Act') (as amended from time to time) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') (as amended from time to time) and the rules made thereunder;
- III. The Depositories Act, 1996 (as amended from time to time) and the regulations and bye-laws framed there under;



- IV. Foreign Exchange Management Act, 1999 (as amended from time to time) and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company (as amended from time to time):-
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India as notified from time to time;
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- iii. The Other laws specifically applicable to the Company;
- iv. Adequate systems and processes for compliance with labour laws, competition law, and environmental laws;
- v. Board structures / systems and processes; and
- vi. Memorandum and Articles of Association.



[Handwritten signature]
C.N.

I report that, during the audit period under review, in my opinion, the following provisions are not applicable to the Company:

- Foreign Exchange Management Act, 1999 (as amended from time to time) and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- The Regulations and Guidelines prescribed under the SEBI Act specified in Point V (a) to (h) above; and
- The Securities Contracts (Regulation) Act, 1956.

I report that, during the audit period under review, the Company has, in my opinion:

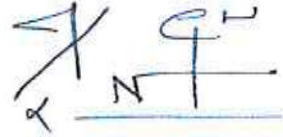
- Complied with the provisions of The Companies Act, 2013 and the rules made thereunder;
- Complied with the provisions of The Depositories Act, 1996 (as amended) and the regulations and bye-laws framed there under to the extent applicable;
- Complied with the provisions of the Secretarial Standards issued by The Institute of Company Secretaries of India, as notified from time to time;
- Complied with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable;
- Complied with Other specific applicable laws to the Company to the extent applicable;
- Complied with the provisions of the Memorandum and Articles of Association of the Company;
- Given adequate notice to all directors to schedule the Board Meetings, sent agenda and detailed notes on agenda at least seven days and there exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;
- All decisions at Board Meetings and Committee Meetings were carried out with majority and were recorded in the minutes of the meeting of the Board of Directors or Committee of the Board as the case may be, and there were no dissenting decisions to be recorded; and
- There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



I further report, that during the audit period under review, the Company has, in my opinion:

- Has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above laws, rules, regulations, guidelines, standards, etc. referred to above.
- Has no cases of fraud which are required to be reported pursuant to provisions of section 143 read with section 447 of the Companies Act, 2013 and the rules made there under.

Note: This report is to be read with my letter of even date which is annexed as Annexure – 'A' and Notes forming an integral part of this report.



C.N. Kranthi Kumar
Company Secretary in Practice
FCS No. 9255 CP No. 13889
Peer Reviewed Unit
Certificate No. 612 / 2019

UDIN: F009255B000355238
Date: 18-06-2020
Place: Hyderabad



ANNEXURE - 'A'

To

The Members

Gayatri Lalitpur Roadways Limited

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

1. Maintenance of secretarial records is the responsibility of the management of Gayatri Lalitpur Roadways Limited (the "**Company**"). My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records with best possible care, reasonable skill and due diligence.
3. The verification was done on sample / test / random basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices that I have followed [based on guiding principles] has provided a reasonable basis for my opinion.
4. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
5. Where ever required, I have obtained the management representation about the compliance of laws, rules, regulations, guidelines and happening of events, etc.
6. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on sample / test / random basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

C.N.



NOTES

My report of even date is to be read along with the following notes:

1) Format:

The report is presented and submitted pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in Form No. MR-3, the format prescribed under Section 204 of the Companies Act, 2013 and the rules made thereunder.

2) Requirement:

The Company being a material unlisted subsidiary [incorporated in India] of the listed entity - Gayatri Highways Limited, CIN: L45100TG2006PLC052146, the requirement to undertake secretarial audit and annex to its annual report a secretarial audit report is mandated as a matter of compliance.

3) Management responsibility:

The management of the Company is responsible for compliances with all applicable laws, bye-laws, rules, regulations, standards, circulars, guidelines, provisions of the Memorandum and Articles of Association of the Company, Board operations, adequate systems, processes, structures and maintaining it.

4) Reporting responsibility:

The responsibility of the Company Secretary in Practice is restricted only for verification of procedures of the Company on sample / test / random basis to ensure that correct facts are reflected in records.

5) Interpretation:

The words or expressions stated in bold, if any, shall bear the same meaning and context at the relevant paragraphs above, unless otherwise stated.


C.N.



N. C. Mittal & Co.

Chartered Accountants

UDIN Ref: 20503378AAAAAF5391

INDEPENDENT AUDITOR'S REPORT

Re: The Members of M/s Gayatri Lalitpur Roadways Limited

Report on the audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind-AS financial statements of Gayatri Lalitpur Roadways Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as the "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 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, 2020, the 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 of Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules prescribed there under, 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 obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial Statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters

Corp. Office.: Bchl House, 13, Daryaganj, New Delhi-110002.
Phone: +91-11-23275021, 23241613 Fax: +91-11-23277044
Email: ncmittalandco@gmail.com, ncmittalandco73@gmail.com
Website: www.ncmittalco.in



were addressed in the context of our audit of Ind AS Financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We state that we have nothing to report in this context.

Emphasis of matter

We draw attention to note no. 38 of "Summary of Significant Accounting Policies and Other Explanatory Information" relating to "Impact of Covid-19 on Performance of the Company" wherein the company has stated that "Since the receipt of the annuity from NHAI is fixed and is not linked to the toll revenue on the project road, the risk of nonpayment of annuities for FY 2020-21 is very low. However there may be slight delays in payment of annuities from NHAI due to ongoing covid 19 pandemic. The company is also entitled to claim interest on delayed payment of annuity as per clause no. 31.2 of concession agreement. Hence the company is confident that covid 19 may not make any material impact on company revenue and operations". Our intention is just to bring this note to the attention of the users of Ind AS financial statements. Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and analysis, Board's report including annexure to Board's report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind-AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive information, changes in equity and cash flows of the Company in accordance with the Ind AS and Other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with



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

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.



- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The company does not have any pending litigations which would impact its financial position except those disclosed in Ind-AS financial statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. 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, pl refer to our comments as per clause (xi) of para 2(g) above.

Place: New Delhi
Date: 23-06-2020

For N. C. Mittal & Co.
Chartered Accountants
(Firm's Registration No. 000237N)

CA. Kapil Mittal
B.Com.(H), F.C.A, D.I.S.A. (ICAI), A.F.C.S.
(Partner)
M. No. 503378



Annexure 'A' to the Independent Auditor's Report of GAYATRI LALITPUR ROADWAYS LIMITED
for the Year ended as on 31st March 2020

(As referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" Section of our report on even date)

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
b. The Fixed Assets have been physically verified by the Management at regular intervals and no material discrepancies were noticed on such verification.
c. The company has no immovable property hence paragraph 3(i)(c) of the Order is not applicable to the company.
- ii. As the company is engaged in the business of infrastructure development, operations and its maintenance and there is no inventory in hand at any point of time, hence paragraph 3(ii) of the Order is not applicable to the company.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liabilities partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, reporting under clause (a) to (c) of Para 3(iii) are not applicable.
- iv. The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Therefore the paragraph 3(iv) of the Order is not applicable to the company.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31st march 2020 therefore directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.
- vi. The Company is prima-facie maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has been generally regular in depositing undisputed statutory dues including provident fund, employee state insurance, income tax, Goods & service tax, cess and other statutory dues during the year with the appropriate authorities. As on 31st March 2020, there are no undisputed

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statutory dues payables for period exceeding for a period more than six month from the date they become payable .

b. According to the information and explanation given to us, there are no dues of income tax, Goods & Service Tax, duty of customs, cess and any other statutory dues which have not been deposited on account of dispute.

viii. The company has taken term loans from various banks and a financial institution. During the year, the company has not defaulted in repayment of loans or borrowing to a banks and financial institution .The Company has not taken any loans or borrowings from Government and has not issued any debentures during the year.

ix. Money raised by way of term loans were applied for the purpose for which it was raised. The Company has not raised money by way of initial public offer or further public offer.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the company by its officers or employees has been noticed or reported during the year.

✓ xi. In respect of managerial remuneration, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration (including sitting fee to directors) in excess of limits as specified u/s 197 read with schedule V to Companies Act, 2013. *Further, as explained & per the legal opinion furnished to us, remuneration paid to manager u/s 2(53) of the act and referred to in note 36 to financial statements, doesn't fall within the scope of section 197 as same was for his employment as project-manager already held by him.*

xii. The Company is not a Nidhi Company and hence clause3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable.

xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any



preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the companies act, 2013 are not applicable to the company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: New Delhi
Date: 23-06-2020

For N. C. Mittal & Co.
Chartered Accountants
Firm's Registration No. 0002337N

CA. Kapil Mittal
B.Com.(H), F.C.A, D.I.S.A.(ICAI), A.T.T.S.L.A
(Partner)
M. No. 503378



ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

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

(As referred to in Paragraph 2(f) under "Report on other legal and regulatory requirements" section of our Report to the members of Gayatri Lalitpur Roadways Limited)

We have audited the internal financial controls over financial reporting of Gayatri Lalitpur Roadways Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our

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Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over financial reporting

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

Opinion

In our opinion, to the best of our information and according to explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating

UDIN Ref: 20503378AAAAAF5391



...ectively as at March 31, 2020, based on the internal financial 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 ICAI.

Place: New Delhi
Date: 23-06-2020

For N. C. Mittal & Co.
Chartered Accountants
(Registration No. 000237N)



CA. Kapil Mittal
B.Com.(H), F.C.A, D.I.S.A.(ICAI), A.I.I.I.S.L.A
(Partner)
M. No. 503378

Gayatri Lalitpur Roadways Limited
Balance sheet as at 31 March 2020
(All amounts in ₹ unless otherwise stated)

	Notes	As at	
		31 March 2020	31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	3	191	3,694
Financial assets			
- Others	4	1,36,17,50,321	1,46,37,72,163
Deffered Tax Asset (Net)	5	2,39,72,463	24,66,165
Other Non-Current Assets	6	3,93,94,108	4,18,54,997
		<u>1,42,51,17,083</u>	<u>1,50,80,97,019</u>
Current assets			
Financial Assets			
- Cash and cash equivalents	7	23,74,86,716	29,28,39,920
- Other bank balances	8	25,72,85,588	17,20,00,000
- Loan	9	26,53,06,328	20,93,06,328
- Others	10	11,17,85,487	9,78,59,318
Other Current Assets	11	4,61,594	4,64,958
		<u>87,23,25,713</u>	<u>77,24,70,524</u>
Total assets		<u><u>2,29,74,42,796</u></u>	<u><u>2,28,05,67,543</u></u>
Equity and liabilities			
Equity			
Equity share capital	12	31,79,80,060	31,79,80,060
Other equity	13	24,36,90,987	12,71,90,520
Total Equity		<u>56,16,71,047</u>	<u>44,51,70,580</u>
Non-current Liabilities			
Financial liabilities			
- Borrowings	14	1,14,12,77,559	1,32,62,72,699
Long-term provisions	15	37,44,71,197	30,55,66,946
		<u>1,51,57,48,756</u>	<u>1,63,18,39,645</u>
Current liabilities			
Financial liabilities			
-Other Financial Liabilities			
-Current maturities of long-term borrowings	16	18,17,53,110	17,05,20,460
-Others	16	1,81,70,942	3,06,66,997
-Trade payables			
-Total outstanding dues of micro and small enterprises			
- Total outstanding dues of creditors other than micro and small enterprises			
	17	1,91,58,627	8,14,823
Provisions	15	14,486	71,626
Other current liabilities	18	9,25,828	14,83,412
		<u>22,00,22,993</u>	<u>20,35,57,318</u>
Total equity and liabilities		<u><u>2,29,74,42,796</u></u>	<u><u>2,28,05,67,543</u></u>

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

This is the Balance Sheet referred to in our report of even date.

For N. C. Mittal & Co.
Chartered Accountants

Firm Registration Number: 000237N

N. C. Mittal
Partner

Membership No. 503378

Place: New Delhi

Date: 23.06.2020

UDIN: 20503378 AAAAF5391

As per the audit Report
of even date attached

For and on behalf of Board of directors of
Gayatri Lalitpur Roadways Limited

J. B. Mohan Reddy
J. B. MOHAN REDDY
Director
DIN:00012927

U. Nagendra Varma
U. NAGENDRA VARMA
Chief Financial Officer

Place: Hyderabad
Date: 18.06.2020

M. V. Narasimha Rao
M.V. NARASIMHA RAO
Director
DIN:06761474

C. Shalini
C. SHALINI
Company Secretary



Gayatri Lalitpur Roadways Limited
Statement of Profit and Loss for the year ended 31 March 2020
(All amounts in ₹ unless otherwise stated)

	Notes	For the year ended	
		31 March 2020	31 March 2019
Revenue from operations	19	10,17,30,100	9,57,29,795
Other income	20	2,72,96,974	1,05,38,502
Finance income	21	28,42,21,165	25,84,40,935
Total income		41,32,48,239	36,47,09,232
Expenses			
Employee benefits expense	22	1,15,38,667	96,32,705
Finance costs	23	14,31,46,451	21,46,56,578
Depreciation and amortization expense	3	3,503	3,494
Other expenses	24	14,20,92,337	14,94,43,453
Total expense		29,67,80,958	37,37,36,230
Profit/(Loss) before tax from continuing operations		11,64,67,281	(90,26,998)
(a) Current tax		2,15,06,298	-
(b) MAT Credit Entitlement		(2,15,06,298)	-
Income tax expense		-	-
Profit/(Loss) for the year		11,64,67,281	(90,26,998)
Other comprehensive income			
Re-measurement (loss)/gain on defined benefit plans		33,186	(33,992)
Total comprehensive income for the year		11,65,00,467	(90,60,990)
Earnings per equity share (EPES)			
Basic		3.66	(0.28)
Diluted		3.66	(0.28)

The accompanying notes form an integral part of the financial statements.
This is the Statement of Profit and Loss referred to in our report of even date.

As per the audit Report

For N. C. Mittal & Co. of even date attached
Chartered Accountants
Firm Registration Number: 000237N


For and on behalf of Board of directors of
Gayatri Lalitpur Roadways Limited


Kapil Mittal
Partner
Membership No. 503378
Place: New Delhi
Date: 23.06.2020




J. BRIJI MOHAN REDDY
Director
DIN:00012927


M.V. NARASIMHA RAO
Director
DIN:06761474


U. NAGENDRA VARMA
Chief Financial Officer


C. SHALINI
Company Secretary

UDIN: 20503378 AAAA AF5391



Place: Hyderabad
Date: 18.06.2020

Gayatri Lalitpur Roadways Limited
Statement of Cash Flows for the year ended 31 March 2020
(All amounts in ₹ unless otherwise stated)

	31 March 2020	31 March 2019
Operating activities		
Profit/(Loss) before tax	11,65,00,467	(90,60,990)
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation of property, plant and equipment	3,503	3,494
Other income	(2,09,04,835)	(99,28,332)
Finance Cost	14,31,46,451	21,46,56,578
Change in operating assets and liabilities		
Increase/(Decrease) in provisions	6,88,47,111	6,21,65,497
(Increase)/Decrease in trade receivables	-	52,79,194
(Increase)/Decrease in loans and other assets	9,30,52,099	54,01,04,633
Increase/(Decrease) in trade payables	1,83,43,804	(26,98,920)
Increase/(Decrease) in other financial liabilities	42,13,285	(16,46,485)
Increase/(Decrease) in other current liabilities	(5,57,584)	9,59,990
Income tax paid, net of refund	(1,72,30,000)	(1,53,08,031)
Net cash flow from operating activities (A)	40,54,14,301	78,45,26,628
Investing activities		
Purchase of property, plant and equipment	-	-
Investment in Fixed Deposits	(8,52,85,588)	(17,20,00,000)
Short term loan given	(5,60,00,000)	(20,93,06,328)
Interest on Fixed Deposits	1,13,85,588	45,89,302
Other income (Dividend from Mutual Funds)	27,50,776	53,39,030
Net cash generated/(used) from investing activities (B)	(12,71,49,224)	(37,13,77,996)
Financing activities		
Repayment of long-term borrowings	(17,05,20,460)	(16,07,51,800)
Repayment of unsecured loan	-	(2,14,96,703)
Interest paid	(16,30,97,821)	(20,42,39,281)
Net cash used in financing activities (C)	(33,36,18,281)	(38,64,87,784)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(5,53,53,204)	2,66,60,848
Cash and cash equivalents at the beginning of the year	29,28,39,920	26,61,79,072
Cash and cash equivalents at the end of the year	23,74,86,716	29,28,39,920
Components of cash and cash equivalents		
Cash on hand	17,358	24,131
Balances with banks		
- in current accounts	23,74,69,358	29,28,15,789
Cash and cash equivalents at year end	23,74,86,716	29,28,39,920

This is the Cash Flow Statement referred to in our report of even date.


For N. C. Mittal & Co. **As per the audit Report**
Chartered Accountants **of even date attached**
Firm Registration Number: 000237N


Kapil Mittal
Partner
Membership No. 503378
Place: New Delhi
Date: 23.06.2020

UDIN: 20503378AAAAA F5391

For and on behalf of Board of directors of
Gayatri Lalitpur Roadways Limited


J. BRIJ MOHAN REDDY
Director
DIN:00012927


M.V. NARASIMHA RAO
Director
DIN:06761474


U. NAGENDRA VARMA
Chief Financial Officer


C. SHALINI
Company Secretary

Place: Hyderabad
Date: 18.06.2020



Gayatri Lalitpur Roadways Limited

Statement of Changes in Equity for the year ended 31 March 2020

(All amounts in ₹ unless otherwise stated)

(a) Equity share capital

	Number	Amount
Equity shares of ₹10 each issued, subscribed and fully paid		
At 31 March 2019	3,17,98,006	31,79,80,060
At 31 March 2020	3,17,98,006	31,79,80,060

(b) Other equity

For the year ended 31 March 2020

	Equity Component in Financial Instrument	Retained earnings	Total
As at 1 April 2019	28,38,86,287	(15,66,95,767)	12,71,90,520
Adjustment during the year	-	-	-
Total Comprehensive income for the year		11,65,00,467	11,65,00,467
At 31 March 2020	28,38,86,287	(4,01,95,300)	24,36,90,987

For the year ended 31 March 2019

	Equity Component in Financial Instrument	Retained earnings	Total
At 1 April 2018	28,38,86,287	(14,76,34,777)	13,62,51,510
Adjustment during the year	-	-	-
Total Comprehensive income for the year	-	(90,60,990)	(90,60,990)
At 31 March 2019	28,38,86,287	(15,66,95,767)	12,71,90,520

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

This is the Statement of Changes in Equity Capital referred to in our report of even date.

As per the audit Report

For N. C. Mittal & Co.
Chartered Accountants

Firm Registration Number: 000237N

Of even date attached

For and on behalf of Board of directors of
Gayatri Lalitpur Roadways Limited

Kapil Mittal
Partner

Membership No. 503378

Place: New Delhi

Date: 23.06.2020

UDIN: 20503378AAAAA F5391

J. BRJ MOHAN REDDY
Chairman
DIN:00012927

U. NAGENDRA VARMA
Chief Financial Officer

M.V. NARASIMHA RAO
Director
DIN:06761474

C. SHALINI
Company Secretary

Place: Hyderabad

Date: 18.06.2020

Gayatri Lalitpur Roadways Limited
Notes to financial statements for the year ended March 2020
Summary of Significant Accounting Policies and Other Explanatory Information
(All amounts in ₹ unless otherwise stated)

1. Corporate information

M/s Gayatri Lalitpur Roadways Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is a Special Purpose Vehicle (SPV) incorporated on 7th July 2006 for execution of the project "Improvement, Operation and Maintenance, Rehabilitation and Strengthening of existing 2-lane Road and widening to 4-lane Divided Highway of NH-25/26 in the state of Uttar Pradesh on Build Operate Transfer (BOT)-Annuity Basis. The company has entered into a Concession Agreement with National Highways Authority of India, which specified a two and a half year of construction period and seventeen and a half years of Operation & Maintenance period. The project has achieved the Commercial Operations Date on 31st July 2010 for 45.22 Kms of the Project Highway, out of 49.305 Kms. The company has already obtained Final Completion Certificate with effect from 19th March 2012.

2. Summary of significant accounting policies

a) Basis of preparation of financial statements

These 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 Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Unless otherwise stated, the accounting policies applied by the Group are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the group's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of work and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the group has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities

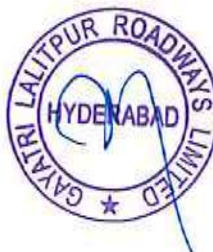
b) Use of estimates

The preparation of the standalone financial statements is in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and amounts of income and expenses. Examples of such estimates include the provision for doubtful receivables, determination of recoverable amounts of fixed assets, deferred tax assets, employee benefits and useful lives of fixed assets.

Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

c) 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.



a. Financial Asset

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 the Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, 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.

This category is the most relevant to the Company. 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 Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and 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 group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- a) the rights to receive cash flows from the asset have expired, or
- b) the Company has transferred its rights to receive cash flows from the asset, and (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- c) The income pertains to the construction period will be used to derecognise/adjust against Financial Asset.

b. Financial Liability

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through the Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, 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 including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:



Financial liabilities at fair value through the Statement of Profit and Loss

Financial liabilities at fair value through the Statement of Profit and Loss include financial liabilities designated upon initial recognition as at fair value through the Statement of Profit and Loss. Financial liabilities designated upon initial recognition at fair value through the Statement of Profit and Loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through the Statement of Profit and Loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and 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 the Statement of Profit and Loss.

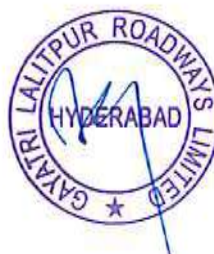
Derecognition

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 the Statement of Profit and Loss.

d) Fixed assets

Tangible assets are stated at cost of acquisition, less accumulated depreciation thereon. The cost of an item of fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Intangible assets represent commercial rights to collect toll fee in relation to roads projects which has been accounted at the cost incurred on the project activity towards reconstruction, strengthening, widening, rehabilitation of the roads on build, operate and transfer basis. It includes all direct material, labour and subcontracting costs, inward freight, duties, taxes, obligation towards negative grant payable to concessionaires, if any, and any directly attributable expenditure on making the commercial right ready for its intended use.



e) Depreciation and amortization

Depreciation on assets has been provided on straight-line basis at the useful lives specified in Schedule II to the Companies Act, 2013. Depreciation on additions / deductions is calculated pro-rate from/to the month of additions / deductions.

f) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

g) Revenue

Revenue Recognition :

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" with the date of initial application being April 1, 2018. Ind AS 115, revenue from contracts with customers, mandatory for reporting period beginning on or after April 1, 2018 replaced existing revenue recognition requirements i.e. Ind AS 18 Revenue Recognition and Ind AS 11 Construction Contracts. There were no significant adjustments required to the retained earnings as on April 1, 2018.

Accordingly, the policy for Revenue is amended as under:

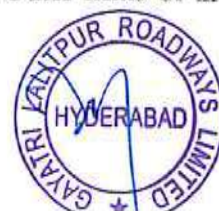
The Company derives revenue primarily from annuity and other miscellaneous construction contracts. To recognize revenue, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligation in the contract, and (5) recognize revenue when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer services to a customer to identify separate performance obligations.. The Company applies judgment to determine whether each service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. For performance obligations where control is transferred over time, revenue are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the services to be provided. The method for recognizing revenues and cost depends on the nature of the services rendered.

Others

Insurance and other claims are recognized as revenue on virtual certainty of receipt basis.

Dividend income is recognized when the right to receive is established. Other items of income are accounted as and when the right to receive arises and recovery is certain.



h) Borrowings Costs

In Case of concession arrangement under financial asset model, borrowing Costs that are attributable to the acquisition and/or construction of the infrastructure are charged to The Statement of Profit and Loss in the period in which such costs are incurred.

In Case of concession arrangement under intangible asset model, borrowing cost of qualifying assets are capitalized as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. Any income on the temporary investments of borrowings is deducted from the borrowing cost. All borrowing cost subsequent to the capitalization of the intangible assets are charged to the Statement of Profit and Loss in the period in which such costs are incurred.

i) Earnings/(loss) per share

Basic earnings per share are calculated by dividing the net the Statement of Profit and 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 the Statement of Profit and 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, if any.

j) Employee Benefits

Provisions for/contributions to retirement benefit schemes are made as follow as per Indian Accounting Standard (Ind AS) – 19, “Employee Benefits:

- a) Provident fund on actual liability basis
- b) Gratuity based on actuarial valuation
- c) Leave encashment benefit on retirement on actuarial valuation basis.

k) Taxes on Income

Current Tax

Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax

Deferred Tax is recognized on timing differences between the accounting income and the taxable income for the year, and qualified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

At each reporting date, the entities in the group re-assess unrecognised deferred tax assets. It recognizes unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The entities in the group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably



certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

l) Cash and Cash Equivalents

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

m) Provisions and contingent liabilities

Provision is recognized when the Company has a present obligation as a result of a past event and when it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management's best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. A disclosure of a contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.

n) Claims

- a. Company's claims against the Concessioneing Authority for additional scope of work, utility shifting etc. are accounted for as and when received.
- b. Contractor's claims regarding additional scope of work, utility shifting etc. are accounted for when related claims of the Company are received from the Concessioneing Authority.
- c. Other claims against/by the company are accounted for as and when accepted.

o) Pre-operative Expenditure

Incidental expenditure incurred during construction period towards "Concessioneire Asset" is capitalised on completion of construction and obtaining related COD.

p) Foreign currency transactions and derivatives

- a. The reporting currency of the company is the Indian Rupee.
- b. Foreign currency transactions are recorded on initial recognition in the foreign currency, using the exchange rate on the date of the transaction.
- c. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of monetary items at the closing rate are adjusted in pre-operative expenses.



3 Property plant and equipment

	Office Equipments	Furniture and fixtures	Computers & Software	Air Conditioner	Total
Gross block					
As at 1 April 2019	67,090	44,218	3,24,424	25,400	4,61,132
Additions during the year	-	-	-	-	-
As at 31 March 2020	67,090	44,218	3,24,424	25,400	4,61,132
Accumulated depreciation					
Up to 31 March 2019	67,090	44,218	3,20,730	25,400	4,57,438
Charge for the year	-	-	3,503	-	3,503
Up to 31 March 2020	67,090	44,218	3,24,233	25,400	4,60,941
Net block					
As at 31 March 2020	-	-	191	-	191
As at 31 March 2019	-	-	3,694	-	3,694

Note: A class of assets is a grouping of assets of similar nature and use in entity's operations.

4 Other Financial Assets (Non-Current)

	As at	
	31 March 2020	31 March 2019
Financial Asset (Carriageway)		
Opening Balance	1,55,68,20,898	2,10,19,03,988
Add: Financial Income	28,42,21,165	25,84,40,935
Add: O & M Income	10,17,30,100	9,34,28,400
Less: Annuity Received	(47,90,00,000)	(47,90,00,000)
Less: Bonus Annuity Received	-	(41,79,52,425)
Closing Balance	1,46,37,72,163	1,55,68,20,898
Less: Transferred to Financial Asset (Current)	(10,20,21,842)	(9,30,48,735)
Closing Non-Current Financial Asset	1,36,17,50,321	1,46,37,72,163

5 Deffered Tax Asset (Net)

	As at	
	31 March 2020	31 March 2019
MAT Credit Entitlement		
	2,39,72,463	24,66,165
	2,39,72,463	24,66,165
Movement in Deffered Tax Asset		
Opening balance	24,66,165	-
Addition during the year	2,15,06,298	24,66,165
Closing balance	2,39,72,463	24,66,165

Disclosure pursuant to Ind AS 12 - "Income taxes"

The company is required to pay MAT as current income tax in accordance with the Income Tax Act, 1961.

The company is eligible for deduction under section 80IA of Income Tax Act, 1961 and the company start to avail tax holiday period from FY 2015-16 for 10 years out of 20 years block commencing from the date of COD. Company has not created deferred tax assets(DTA) on brought forward losses and accumulated depreciation during the current year since all such DTA are getting reversed during such tax holiday period.



Gayatri Lalitpur Roadways Limited
Summary of Significant Accounting Policies and Other Explanatory Information
(All amounts in ₹ unless otherwise stated)

6 Other Non-Current Assets

	As at	
	31 March 2020	31 March 2019
Taxes Asset (Net)		
TDS and Advance Tax	4,84,05,254	2,93,59,845
Less: Provision for Tax	(2,15,06,298)	-
Work contract tax receivable	1,24,95,152	1,24,95,152
	<u>3,93,94,108</u>	<u>4,18,54,997</u>

7 Cash and cash equivalents

	As at	
	31 March 2020	31 March 2019
Balances with banks		
- on current accounts	23,74,69,358	29,28,15,789
Cash on hand	17,358	24,131
	<u>23,74,86,716</u>	<u>29,28,39,920</u>

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at	
	31 March 2020	31 March 2019
Balances with banks		
- on current accounts	23,74,69,358	29,28,15,789
Cash on hand	17,358	24,131

8 Other bank balances

	As at	
	31 March 2020	31 March 2019
Balances with banks		
Fixed deposits with original maturity more than 3 months (Lein marked to IDFC Bank)	25,72,85,588	17,20,00,000
	<u>25,72,85,588</u>	<u>17,20,00,000</u>

9 Current Loan

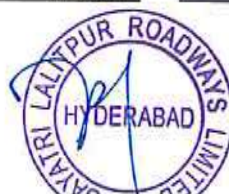
	As at	
	31 March 2020	31 March 2019
Loan to related party	26,53,06,328	20,93,06,328
	<u>26,53,06,328</u>	<u>20,93,06,328</u>

10 Other financial assets

	As at	
	31 March 2020	31 March 2019
Current		
Financial Asset - Carriageway	10,20,21,842	9,30,48,735
Interest Accrued on Fixed Deposits	97,58,189	48,05,127
Withheld money by NHAI- Utility bills	5,456	5,456
	<u>11,17,85,487</u>	<u>9,78,59,318</u>

11 Other Current Assets

	As at	
	31 March 2020	31 March 2019
Prepaid Expenses	2,89,165	2,89,958
Other Advances	1,72,429	1,75,000
	<u>4,61,594</u>	<u>4,64,958</u>



Gayatri Lalitpur Roadways Limited
Summary of Significant Accounting Policies and Other Explanatory Information
(All amounts in ₹ unless otherwise stated)

12 Share capital

	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
Authorized				
Equity shares of ₹10 each	3,50,00,000	35,00,00,000	3,50,00,000	35,00,00,000
	<u>3,50,00,000</u>	<u>35,00,00,000</u>	<u>3,50,00,000</u>	<u>35,00,00,000</u>
Issued, subscribed and fully paid-up				
Equity shares of ₹10 each	3,17,98,006	31,79,80,060	3,17,98,006	31,79,80,060
	<u>3,17,98,006</u>	<u>31,79,80,060</u>	<u>3,17,98,006</u>	<u>31,79,80,060</u>

(a) Reconciliation of equity shares outstanding at the beginning and end of the reporting period

	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
At the beginning of the year	3,17,98,006	31,79,80,060	3,17,98,006	31,79,80,060
Issued during the year	-	-	-	-
Balance at the end of the year	<u>3,17,98,006</u>	<u>31,79,80,060</u>	<u>3,17,98,006</u>	<u>31,79,80,060</u>

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The rights and preferences of each shareholder are in accordance with the Shareholder's Agreement dated 14th May 2007.

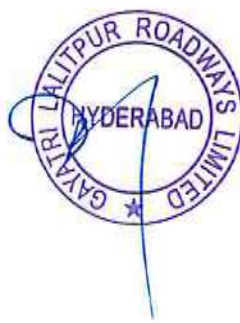
The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting. During the year, no dividend was declared by the Company (Previous Year: Nil).

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

(c) Shares held by holding Company, ultimate holding Company, subsidiaries / associates of holding Company or ultimate holding Company

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

	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
Gayatri Highways Limited - Holding Company	1,62,18,000	16,21,80,000	1,62,18,000	16,21,80,000



Gayatri Lalitpur Roadways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ unless otherwise stated)

12 Share capital (continued..)

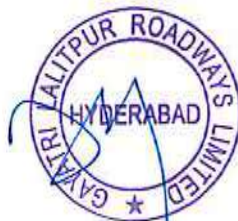
(d) Details of shareholders holding more than 5% shares in the Company

	31 March 2020		31 March 2019	
	Number of shares	% of holding	Number of shares	% of holding
Gayatri Highways Limited and its nominees-Holding Company	1,62,18,000	51.00%	1,62,18,000	51.00%
Infrastructure Development Finance Company Limited	31,80,000	10.00%	31,80,000	10.00%
India Infrastructure Fund	1,24,00,000	39.00%	1,24,00,000	39.00%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

13 Other equity

	As at	
	31 March 2020	31 March 2019
Equity Component of Financial Instrument		
Opening balance	28,38,86,287	28,38,86,287
Adjustment during the year	-	-
Closing balance	28,38,86,287	28,38,86,287
Retained earnings		
Balance as per last audited financial statements	(15,66,95,767)	(14,76,34,777)
Add: Total Comprehensive Income for the year	11,65,00,467	(90,60,990)
Balance at the end of the year	(4,01,95,300)	(15,66,95,767)
Total other equity	24,36,90,987	12,71,90,520



Gayatri Lalitpur Roadways Limited
Summary of Significant Accounting Policies and Other Explanatory Information
(All amounts in ₹ unless otherwise stated)

14 Borrowings

	As at	
	31 March 2020	31 March 2019
Non-current borrowings		
Term loans		
Secured		
From banks	1,05,57,87,400	1,19,49,71,890
From financial institutions	26,72,43,269	30,18,21,269
Less: Current maturities of long-term borrowings	18,17,53,110	17,05,20,460
	1,14,12,77,559	1,32,62,72,699
Current borrowings		
Current maturities of long term loans		
Term loans		
Secured		
From banks and financial institutions	18,17,53,110	17,05,20,460
	18,17,53,110	17,05,20,460

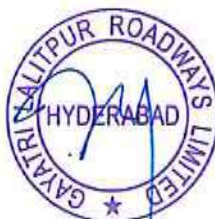
I Nature of security for secured loans:

A. Term loans from banks and others are secured by:

- First mortgage and charge of all the borrower's immovable properties, present and future.
- First charge by way of hypothecation of
 - all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
- All intangibles, including but not limited to goodwill, uncalled capital, present and future.
- Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
- Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
- Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital.

B. Term Loans – Subordinated Debt from IDFC Bank is secured by:

- Second mortgage and charge of all the borrower's immovable properties, present and future.
- Second charge by way of hypothecation of
 - all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
- All intangibles, including but not limited to goodwill, uncalled capital, present and future.
- Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
- Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
- Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital.



Gayatri Lalitpur Roadways Limited
Summary of Significant Accounting Policies and Other Explanatory Information
(All amounts in ₹ unless otherwise stated)

14 Borrowings (continued...)

II. Terms of repayment of Secured Loans

- The Senior Debt from banks and others, amounting to Rs.2,33,57,00,000/-, is repayable in 29 unequal half yearly installments ranging from 1.68% to 7.38% commencing from 15th December 2011 till 15th December 2025.
- The Subordinate Debt availed from Infrastructure Development Finance Company Ltd.(now IDFC Bank Ltd.) amounting to Rs.19,00,00,000/- is repayable in 30 unequal half yearly installments ranging from 1.50% to 10.08% commencing from 15th June 2012 till 15th December 2026.
- In case of surplus cash flows, the Company has to accelerate the repayments pro-rata amongst Senior and Sub-Debt.
- Additional funds received, if any, from NHAI as damages towards cost escalation will be utilized towards acceleration of the loan repayment to the extent of escalation in Interest on Term Loans.

III. Terms of repayment of Unsecured Loans

- The Company shall repay the principal amount of the unsecured loan after the expiry of the tenor of loan read with (b) below:
- Subject to the Lenders' approval, the Company has a right to advance the repayment of the Shareholders' Loan in the event of the cash flows of the Company are adequately in surplus for such advancement as determined by the subscriber or on successful refinancing of the loans as determined by the subscriber.

15 Provisions

	As at	
	31 March 2020	31 March 2019
Non-current		
Provision for periodic maintenance	37,40,68,744	30,52,69,644
Provision for employee benefits		
-Gratuity, non-funded	4,02,453	2,97,302
	<u>37,44,71,197</u>	<u>30,55,66,946</u>
Current		
Provision for employee benefits		
-Gratuity, non-funded	14,486	71,626
	<u>14,486</u>	<u>71,626</u>

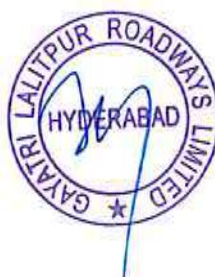
16 Other financial liabilities

	As at	
	31 March 2020	31 March 2019
Current maturities of long-term borrowings	18,17,53,110	17,05,20,460
Interest accrued	1,00,51,243	2,67,60,583
Creditors for expenses		
- to related party	56,99,405	19,69,406
- to others	15,65,620	16,74,833
Employee benefits payable	8,54,674	2,62,175
	<u>19,99,24,052</u>	<u>20,11,87,457</u>

17 Trade payables

	As at	
	31 March 2020	31 March 2019
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises		
- Trade payables to related party	1,91,58,627	8,14,823
	<u>1,91,58,627</u>	<u>8,14,823</u>

The identification of micro and small enterprise suppliers as defined under the provisions of "Micro, small and medium enterprises Act, 2006" is based on Management's knowledge of their status. There are no dues to micro, small and medium enterprises as on 31 March 2020 or 31 March 2019.



Gayatri Lalitpur Roadways Limited
Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ unless otherwise stated)

18 Other current liabilities

	As at	
	31 March 2020	31 March 2019
Statutory liabilities	9,25,828	14,83,412
	<u>9,25,828</u>	<u>14,83,412</u>

19 Revenue from operations

	For the year ended	
	31 March 2020	31 March 2019
Other Construction Income	-	23,01,395
Operation & Maintenance Income	3,29,31,000	3,13,61,000
Major Maintenance Income	6,87,99,100	6,20,67,400
	<u>10,17,30,100</u>	<u>9,57,29,795</u>

20 Other income

	For the year ended	
	31 March 2020	31 March 2019
Interest on fixed deposits	1,81,54,059	53,39,030
Dividend from mutual funds	27,50,776	45,89,302
Interest on annuity	63,92,139	-
Other Income	-	6,10,170
	<u>2,72,96,974</u>	<u>1,05,38,502</u>

21 Finance Income

	For the year ended	
	31 March 2020	31 March 2019
Interest on financial asset receivable	28,42,21,165	25,84,40,935
	<u>28,42,21,165</u>	<u>25,84,40,935</u>

22 Employee benefits expense

	For the year ended	
	31 March 2020	31 March 2019
Salaries and wages	1,14,57,470	95,68,600
Gratuity	81,197	64,105
	<u>1,15,38,667</u>	<u>96,32,705</u>

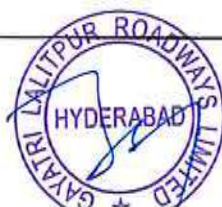
Provision for Gratuity is made on actuarial basis as summarized below. The Company does not have any policy for Compensated Absences.

Profit and Loss account for current period
Service Cost:

Current Service Cost	56,380	45,740
Past service cost and loss/(gain) on curtailments and		
Net interest cost	24,817	18,365
Total included in 'Employee Benefit Expense'	<u>81,197</u>	<u>64,105</u>

Expenses deducted from the fund

Total Charge to P&L	81,197	64,105
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Gayatri Lalitpur Roadways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ unless otherwise stated)

22 Employee benefits expense (continued..)

Other Comprehensive Income for the current period

Components of actuarial gain/losses on obligations:

Due to change in financial assumptions	30,161	3,600
Due to change in demographic assumptions	(206)	-
Due to experience adjustments	(63,141)	30,392
Amount recognized in Other Comprehensive Income	(33,186)	33,992

Reconciliation of defined obligation

	For the year ended	
	31 March 2020	31 March 2019
Defined Benefit Obligation		
Opening defined benefit obligation	3,68,928	2,70,831
Service Cost	56,380	45,740
Net interest expense	24,817	18,365
Components of actuarial gain/losses on obligations		
Due to change in financial assumptions	30,161	3,600
Due to change in demographic assumptions	(206)	-
Due to experience adjustments	(63,141)	30,392
Benefits paid	-	-
Closing defined benefit obligation	4,16,939	3,68,928
Bifurcation of liability as per schedule III		
Current Liability	14,486	71,626
Non-current liability	4,02,453	2,97,302

Principal Actuarial Assumptions

	For the year ended	
	31 March 2020	31 March 2019
Discounting Rate	6.45%	7.45%
Average Salary Growth Rate	4.00%	4.00%
Withdrawal Rate	3 % at all ages	3 % at all ages

Sensitivity to key assumptions

Discount Rate Sensitivity

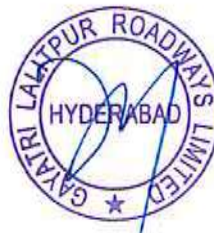
Increase by 0.5%	4,01,263	3,57,239
(% change)	-3.76%	-3.17%
Decrease by 0.5%	4,33,952	3,81,554
(% change)	4.08%	3.42%

Salary Growth Rate Sensitivity

Increase by 0.5%	4,32,875	3,81,926
(% change)	3.82%	3.52%
Decrease by 0.5%	4,00,834	3,56,810
(% change)	-3.86%	-3.28%

Withdrawal Rate (W.R.) Sensitivity

W.R. X 110%	4,18,595	3,70,764
(% change)	0.40%	0.50%
W.R. X 90%	4,15,175	3,66,985
(% change)	-0.42%	-0.53%



Gayatri Lalitpur Roadways Limited**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in ₹ unless otherwise stated)

23 Finance costs

	For the year ended	
	31 March 2020	31 March 2019
Interest on borrowings	14,12,13,395	16,90,53,486
Interest portion of financial liabilities	-	25,79,024
Loss on de-recognizaton of financial liabilities	-	4,05,23,297
Other finance costs	19,33,056	25,00,771
	14,31,46,451	21,46,56,578

24 Other expenses

	For the year ended	
	31 March 2020	31 March 2019
Other Construction Expenses	-	23,01,395
Operations and maintenance expenses	4,97,28,434	4,41,30,034
Periodic maintenance expenses	6,87,99,100	6,20,67,400
NHAI IC expenses	30,37,640	30,50,346
Rent	14,52,660	14,52,660
Insurance expenses	1,71,512	1,76,305
Travelling and conveyance expenses	14,96,252	10,16,357
Legal and professional charges (refer note below)	1,51,35,198	2,71,82,393
Project Site expenses	14,85,586	14,15,483
Receivable written off	-	52,79,194
Miscellaneous expenses	7,85,955	13,71,886
	14,20,92,337	14,94,43,453

Legal and professional charges includes Payment to auditors as below:

	31 March 2020	31 March 2019
As auditor:		
Audit fee	3,54,000	3,54,000
In other capacity:		
Reimbursement of expenses	24,780	66,080
	3,78,780	4,20,080

25 Earnings per share

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

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

	For the year ended	
	31 March 2020	31 March 2019
Profit/(Loss) attributable to equity holders of the Company	11,65,00,467	(90,60,990)
Weighted average number of equity shares in calculating basic EPES	3,17,98,006	3,17,98,006
Nominal value per equity share	10	10
Effect of dilution:		
Weighted average number of equity shares used in computation of diluted EPES	3,17,98,006	3,17,98,006
Basic and Diluted Earnings per share	3.66	(0.28)



Gayatri Lalitpur Roadways Limited
Summary of Significant Accounting Policies and Other Explanatory Information
(All amounts in ₹ unless otherwise stated)

26 Breakup of financial assets and financial liabilities carried at amortized cost

	As at	
	31 March 2020	31 March 2019
Financial assets		
Financial assets-Others (Carriageway)	1,36,17,50,321	1,46,37,72,163
Cash and cash equivalents	23,74,86,716	29,28,39,920
Other bank balances	25,72,85,588	17,20,00,000
Loan	26,53,06,328	20,93,06,328
Others	11,17,85,487	9,78,59,318
Total	2,23,36,14,440	2,23,57,77,729
Financial liabilities		
Borrowings	1,32,30,30,669	1,49,67,93,159
Trade payables	1,91,58,627	8,14,823
Other financial liabilities	1,81,70,942	3,06,66,997
Total	1,36,03,60,238	1,52,82,74,979

The carrying amount of current financial assets and current trade and other payables measured at amortised cost are considered to be the same as their fair values, due to their short term nature.

The carrying value of Rupee Term Loan and Loan from Related Party approximate fair value as the instruments are at prevailing market rate.

27 Significant accounting judgments, estimates and assumptions

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

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.

28 Fair Values

The management assessed that cash and cash equivalents, trade receivables, current loans, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments or as they carry market rate of interest.

29 Financial risk management objectives and policies

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.



29 Financial risk management objectives and policies (Continued)

a) Market Risk:

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The company is not exposed to foreign currency risk as it has no borrowing or no material payables in foreign currency. The Company's activities expose it primarily to the financial risks of changes in interest rates.

i) Interest rate risk

The company is exposed to interest rate risk because it borrows funds primarily at floating interest rates. However, the interest rates are dependant on base rates/prime lending rates of the lead bank which are not expected to change very frequently and the estimate of the management is that these will not have significant upward trend.

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

	As at	
	31 March 2020	31 March 2019
Senior Debt from Banks - Variable rate borrowings	1,32,30,30,669	1,49,67,93,159

Sensitivity analysis based on average outstanding Senior Debt

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	31 March 2020	31 March 2019
Increase or decrease in interest rate by 25 basis points	35,24,780	39,66,570

Note: Profit will increase in case of decrease in interest rate and vice versa

ii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The company is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss.

The company measures risk through sensitivity analysis.

The company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The company does not expose to price risks as on 31st March 2020.

b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of only dealing creditworthy counterparties. The management believes that the credit risk is negligible since its main receivable is from the grantors of the concession which is Government Authority.

c) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company is exposed to liquidity risk due to bank borrowings and trade and other payables.

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.



Gayatri Lalitpur Roadways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ unless otherwise stated)

29 c) Liquidity Risk (Continued)

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

As at 31st March 2020	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Borrowings	1,32,30,30,669	30,72,96,167	30,12,67,299	95,24,23,220	16,58,51,368
Other Financial Liabilities	1,81,70,942	1,81,70,942			
Trade payables	1,91,58,627	1,91,58,627	-	-	-

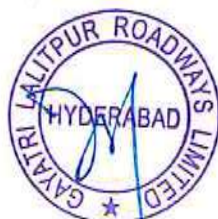
As at 31st March 2019	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Borrowings	1,49,67,93,159	31,39,22,835	30,61,98,471	90,48,26,642	51,54,35,146
Other Financial Liabilities	3,06,66,997	3,06,66,997			
Trade payables	8,14,823	8,14,823	-	-	-

The following table details the company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

As at 31st March 2020	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Receivable under SCA	1,46,37,72,163	36,88,90,200	36,71,61,200	1,12,79,79,000	86,75,15,000
Cash and cash equivalents	23,74,86,716	23,74,86,716	-	-	-
Others	97,63,645	97,63,645	-	-	-
As at 31st March 2019	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Receivable under SCA	1,55,68,20,898	37,72,69,900	36,88,90,200	1,09,59,42,600	1,26,67,12,600
Cash and cash equivalents	29,28,39,920	29,28,39,920	-	-	-
Others	48,10,583	48,10,583	-	-	-

d) Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize 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 monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.



Gayatri Lalitpur Roadways Limited
Summary of Significant Accounting Policies and Other Explanatory Information
(All amounts in ₹ unless otherwise stated)

29 d) Capital management (Continued)

	As at	
	31 March 2020	31 March 2019
Debts	1,33,30,81,912	1,52,35,53,742
Less: Cash and Bank Balances	(49,47,72,304)	(46,48,39,920)
(A)	83,83,09,608	1,05,87,13,822
Equity & Other equity (B)	56,16,71,047	44,51,70,580
Net Debt / Total Capital (A/B)	1.49	2.38
Debts include		
Debts include Long term borrowing (including its current maturities) and interest accrued thereon.		

30 Disclosure pursuant to Ind AS 115 - " Service Concession Arrangements "

Description and classification of the arrangement

Gayatri Lalitpur Roadways Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is a Special Purpose Vehicle (SPV) incorporated on 7th July 2006 for execution of the project "Improvement, Operation and Maintenance, Rehabilitation and Strengthening of existing 2-lane Road and widening to 4-lane Divided Highway of NH-25/26 in the state of Uttar Pradesh on Build Operate Transfer (BOT)-Annuity Basis. The company has entered into a Concession Agreement with National Highways Authority of India, which specified a two and a half year of construction period and seventeen and a half years of Operation & Maintenance period. The project has achieved the Commercial Operations Date on 31st July 2010 for 45.22 Kms of the Project Highway, out of 49.305 Kms. The company has already obtained Final Completion Certificate

Significant Terms of the arrangements

Receipt of Annuity:

Annuities shall be received semi-annually subject to the provisions Article 6.1 of the Concession Agreement dated Sept 29, 2006.

Concession Fee and Other Fees:

As per Article 7.2 of the Concession Agreement, the company is liable to pay Concession Fee Re 1 every year during the Concession Agreement.

Obligation of the Company

The company is under obligation to undertake, comply with and perform as per the Chapter-III "Obligations and Undertakings" of the Concession Agreement.

Operation & Maintenance

The company is under obligation to carry out the routine and periodic maintenance of Project Highway as per Appendix-5 of the Concession Agreement.

Details of any assets to be given or taken at the end of concession period

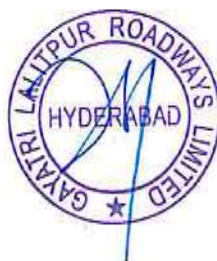
At the end of the Concession period the company shall deliver the actual or constructive possession of the Project Highway, free and clear of all encumbrances.

Details of Termination

Concession Agreement can be terminated on account of default of the company or NHAI in the circumstances as specified under chapter-VII of the Concession Agreement.

31 Disclosure pursuant to Ind AS 23 "Borrowing Costs"

	As at	
	31 March 2020	31 March 2019
Finance Cost	14,31,46,451	21,46,56,578
Less : Capitalized during the year	-	-
Finance Cost charged to Statement of P/L	14,31,46,451	21,46,56,578



32 Disclosures as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent assets "**(a) Nature of provision:**

The company is required to operate and maintain the project highway during the entire concession period and hand over the project back to the Authority (NHAI) as per the maintenance standards prescribed in Concession agreement.

For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally periodic maintenance includes resurface of pavements, repairs of structures and other equipments and maintenance of service roads.

As per industry practice, the periodic maintenance is expected to occur after 5-7 years. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually.

(b) Movement in provisions:

	As at	
	31 March 2020	31 March 2019
Opening balance	30,52,69,644	24,32,02,244
Additional provision	6,87,99,100	6,20,67,400
Utilised	-	-
Unused amounts reversed	-	-
Unwinding of discount and changes in discount rate	-	-
Closing balance	37,40,68,744	30,52,69,644

(c) Contingent liabilities**Claims against the company not acknowledged as debt :****-Overlay Matter (Major Maintenance):**

NHAI had issued notice dated 29.11.2019 to the Company to recover an amount of Rs 9.16 Crores plus interest towards alleged recovery of damages on account of delay in completion of over lay (1st Major Maintenance Works). GLRL filed Section 9 petition [OMP (I) (COMM) 42/2020] before the Hon'ble High Court of Delhi and the Court had granted stay order on this matter.

The notice from NHAI for recovery of damages is illegal because of the fact that the Independent Engineer (IE) vide their letter dated 19.04.2018 informed to NHAI that even though the Provisional Certificate was issued in 2010, the entire stretch of the Project Highway was not complete by that time. Further, the incomplete stretches were in bits and pieces which would have made it impossible for any overlay works to be undertaken by the Company. Based on the recommendations of the Independent Engineer, Project Director, NHAI vide their letter dated 24.04.2018 issued a letter to Regional Officer and accepted the IE's view not to levy any penalty on the Company.

(d) Contingent asset**1. Escalation/cost overrun arbitration claims:**

The Company (GLRL) had incurred additional costs on account prolongation of construction period and reasons for delay on part of NHAI. Hence, GLRL raised claims against NHAI. The Arbitration Tribunal ("AT") delivered Award on 29.03.2019 on this matter.

In this matter, there is no Majority Award, three AT members were delivered three different Awards as details given below:

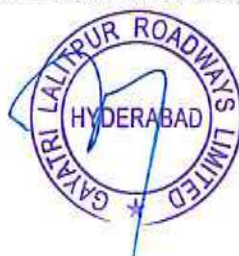
- (i) Presiding Arbitrator Award amount – Rs. 11.39 Cr (Rs. 10.36 + interest Rs.1.03)
- (ii) Claimant's Nominee Arbitrator Award amount – Rs. 42.33 Cr (Rs. 30.93 + interest Rs.11.39)
- (iii) Respondent's Nominee Arbitrator Award amount – Rs. 3.53 Cr

GLRL challenged AT Award under Section-34 of Arbitration and Conciliation Act, 1996. It is pending before the High Court of Delhi in OMP (Comm.) No. 386 of 2019. NHAI has filed a counter petition which is OMP (Comm.) No. 450 of 2019.

2. Change of Scope work arbitration claims:

The NHAI issued an letter dated 19.09.2018 to the Escrow Bank to release a sum of Rs 18.78 Crores towards Negative Change of scope works. GLRL had protested the same and approached the High Court of Delhi under Section-9 of Arbitration Act and Hon'ble High Court of Delhi granted stay on recovery and Arbitral Tribunal (AT) was constituted for this matter.

Arbitral Tribunal (AT) Award was published on 28.01.2020. AT Awarded in favour of the Company an amount of Rs 10.06 Crores with interest 12% per annum from 03.09.2016 till realization of payment.



Gayatri Lalitpur Roadways Limited
Summary of Significant Accounting Policies and Other Explanatory Information
(All amounts in ₹ unless otherwise stated)

33 Commitments

	As at	
	31 March 2020	31 March 2019
Estimated amount of contracts remaining to be executed on Capital Account not provided for	-	-
Uncalled liability on shares and other investments partly paid	-	-
Other commitments	The Company has commitment of Operations & Maintenance (O&M) Service Fee and Periodic Maintenance Fee in terms of the O&M Agreement dated 14th May, 2007 entered into with Gayatri Project Limited.	

34 Related party disclosures

a) Name of related parties and nature of relationship

Names of the related parties	Nature of relationship
Gayatri Highways Limited	Holding Company
Gayatri Projects Ltd	Enterprises in which Key Management personnel and/or their relatives have significant influence
India Infrastructure Fund	Entity having significant influence (more than 20% interest in the voting power)
J. Brj Mohan Reddy	Director
Bajrang Lal Gupta	Director
M.V. Narasimha Rao	Director
C. Shalini, Company Secretary	Key Managerial Personnel ("KMP")
U. Nagendra Varma, CFO	Key Managerial Personnel ("KMP")
Rautan Singh	Manager
Gayatri Jhansi Roadways Limited	Fellow Subsidiary

b) Transactions with related parties

	For the year ended	
	31 March 2020	31 March 2019
Gayatri Projects Ltd		
Operation & maintenance expenses	4,97,28,434	4,41,30,034
Other works	-	23,01,395
Gayatri Highways Limited		
Interest on financial liabilities	-	13,56,462
Repayment of Loan	-	3,26,20,000
Short-term Advance given	2,85,60,000	6,57,26,528
India Infrastructure Fund		
Interest on financial liabilities	-	12,22,562
Repayment of Loan	-	2,94,00,000
Short-term Advance given	2,74,40,000	6,50,89,802
Gayatri Jhansi Roadways Limited		
Short-term Advance given	-	7,84,89,998
Remuneration to Chief Financial Officer	9,60,000	9,45,000
Remuneration to Company Secretary	2,16,800	5,00,000
Remuneration to Manager	9,39,000	8,88,000
Sitting Fees		
M.V. Narasimha Rao	50,000	25,000
Bajrang Lal Gupta	50,000	35,000



Gayatri Lalitpur Roadways Limited
Summary of Significant Accounting Policies and Other Explanatory Information
(All amounts in ₹ unless otherwise stated)

34 Related party disclosures (continued...)

c) Balances receivable/(payable)

	As at	
	31 March 2020	31 March 2019
Gayatri Highways Limited		
Subscription of Equity	(16,21,80,000)	(16,21,80,000)
Unsecured loan	-	-
Short-term Advance	9,42,86,528	6,57,26,528
India Infrastructure Fund		
Subscription of Equity	(12,40,00,000)	(12,40,00,000)
Unsecured loan	-	-
Short-term Advance	9,25,29,802	6,50,89,802
Gayatri Projects Ltd		
Subscription of Equity	-	-
EPC work	(8,14,823)	(8,14,823)
O & M Expenses	(1,83,43,804)	-
Payable for other misc. works	(56,99,405)	(19,69,406)
Gayatri Jhansi Roadways Limited		
Short-term Advance	7,84,89,998	7,84,89,998
Chief Financial Officer	(69,800)	(68,800)
Company Secretary	(54,000)	(36,300)
Manager	(1,27,000)	(1,28,500)

35 Segment reporting

Based on the Company's business model and considering the internal financial reporting to the management, the Company has identified only one reportable segment i.e. "construction, operations and maintenance of roads, highways and toll roads"

36 Comparatives

Previous year comparatives have been reclassified and regrouped wherever necessary, to confirm to current years' presentation.

37 Events after the reporting period

There are no significant events after the reporting period that substantially affect the financial position of the company.

38 Impact of Covid-19 on Performance of the Company

The entire world is collectively entangled in fighting the Coronavirus/ COVID-19 pandemic, businesses are facing several financial and physical hardships due to the mandatory government lockdowns. With there being no visibility regarding the duration of the lockdown coupled with the fact that no known cure or vaccine is available to fight the pandemic, everyone is left with great deal of uncertainty and anticipation over the 'new normal'.

The Company is a Special Purpose Vehicle incorporated for execution of project "Improvement, Operation and Maintenance, Rehabilitation and Strengthening of existing 2-lane Road and widening to 4-lane Divided Highway of NH-25/26 in the state of Uttar Pradesh on Build Operate Transfer (BOT) on Annuity Basis". During the Financial Year 2019-20, the Company has received 2 annuities on due dates and had no impact of COVID-19 on the performance of the Company during the year. We would like to highlight that the Company has received 21st Annuity on 27.03.2020 which was due on 27.03.2020 during the lockdown period.

Since, the receipt of the Annuity from NHAI is fixed and is not linked to the Toll Revenue on the project road, the risk of non-payment of annuities for the financial year 2020-21 is very low. However, there may be slight delays in payment of annuities from NHAI due to the ongoing COVID-19 pandemic. The Company is also entitled to claim interest on delayed payment of Annuity as per the clause no. 31.2 of the Concession Agreement. Hence, the Company is confident that the Covid-19 may not make any material impact on the company's revenue and operations.

as per the audit Report
of even date attached

For N. C. Mittal & Co.

Chartered Accountants

Firm Registration Number: 000237N

Kapil Mittal

Partner

Membership No. 503378

Place: New Delhi

Date: 23.06.2020

UDIN: 20503378AAAAAF5391

For and on behalf of Board of directors of

Gayatri Lalitpur Roadways Limited

J. BRIJ MOHAN REDDY

Director

DIN:00012927

U. NAGENDRA VARMA

Chief Financial Officer

Place: Hyderabad

Date: 18.06.2020

M.V. NARASIMHA RAO

Director

DIN:06761474

C. SHALINI

Company Secretary

