GMR Highways

GMR Pochanpalli Expressways Limited

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

Date: August 07, 2026

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

Dear Sir/Madam,

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

Pursuant to Regulation 53(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we hereby submit the Annual Report and Notice of Annual General Meeting of GMR Pochanpalli Expressways Limited ('the Company') for the year ended March 31, 2026.

Request you to please take the same on record.

Thanking you

For GMR Pochanpalli Expressways Limited

PARAMJEET SINGH
Digitally signed by PARAMJEET SINGH
Date: 2026.08.07 12:53:25 +05'30'

Paramjeet Singh
Company Secretary

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

Registered Office:
25/1, Skip House,
Museum Road,
Bangalore-560025,
Karnataka

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

Notice of
21st Annual General Meeting

Day, Date & Time

Thursday, the 03rd day of September, 2026

At

4:00 P.M

Venue

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

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 21st (twenty first) Annual General Meeting ("AGM") of the Members of **GMR Pochanpalli Expressways Limited** will be held on **Thursday, the 03rd day of September 2026** at 04.00 PM at the Corporate Office of the Company situated at Transportation Business Board Room, GMR T&UI Office, Terminal-2, Opp. Departure Gate No. 1, IGI Airport, New Delhi – 110037, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company together with the report of Board of Directors and Auditors' Report thereon for the Financial Year ended March 31, 2026.

2. To appoint Director in place of Mrs. Grandhi Ragini, Director (DIN- 00582227), who is liable to retire by rotation and, being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. **To ratify the remuneration of M/s. G. R. & Co., Cost Auditor of the Company for the Financial Year 2026-27.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, if any, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Shareholders hereby ratify the remuneration of ₹ 65,000/- (Indian Rupees Sixty Five Thousand Only) plus applicable taxes and out of pocket expenses as may be incurred, payable to M/s. G. R. & Co., Cost Accountants (Firm Registration No: 101504), as appointed by the Board of Directors as Cost Auditors of the Company to conduct the audit of cost records of the Company for the financial year 2026-27.

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

4. **Appointment of Mr. Vithala Satyanarayana Murthy (DIN: 07603834) as Independent Director of the Company.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Vithala Satyanarayana Murthy (DIN: 07603834), who was appointed as an Additional Independent Director of the Company and has submitted a declaration confirming that he meets the criteria of independence under Section 149(6) of the Act and whose candidature for the office of Director has been recommended by the Nomination and Remuneration Committee and the Board of Directors and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five years, with effect from July 22, 2026 and whose office shall not be liable to retire by rotation.

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

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

GMR Pochanapalli Expressways Limited

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

Place: New Delhi
Date: 22/07/2026

NOTES:

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

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

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

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

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

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

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

8. In terms of Section 20 of the Companies Act, 2013, the Notice is being sent to all the Members on the electronic mail address as provided by the Registrar or the Member from time to time for sending communications unless any Member has requested for a hard copy of the same. Members are requested to register their E-mail Id with their Depository Participant/the Company and inform any changes to the same from time to time. However, Members who prefer physical copy to be delivered may write to the Company at its Registered Office by providing their DP Id and Client Id/ledger folio number as reference.

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

10. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of Companies Act, 2013 and the Register of Contracts and Arrangements in which directors are Interested maintained under Section 189 of Companies Act, 2013 will be available for inspection by the members at the AGM.

11. All documents referred to in accompanying Notice and Explanatory statement are open for inspection at the registered/corporate office of the Company during the office hours on all working days except Saturdays/Sundays and holidays between 11.00 A.M. and 1.00 P.M till the date of meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 FOR THE ITEMS SET OUT IN THE ACCOMPANYING NOTICE ARE AS UNDER:

Item No 3:

To ratify the remuneration of M/s. G. R. & Co., Cost Accountant of the Company for the financial year 2026-27.

M/s. G.R & Co., Practicing Cost Accountants, is carrying out the Cost Audit of the Company since the Financial Year 2014-15. The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. G. R. & Co., Cost Accountant to conduct the audit of the cost records of the Company for the financial year 2026-27 at remuneration as detailed in the resolution.

In accordance with the provisions of Section 148(3) of the Act read with the Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be ratified by the Shareholders of the Company.

Accordingly, consent of the members is being sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2026-27.

None of the Directors and Key Managerial Personnel of the Company & their relatives is in any way, concerned or interested, financially or otherwise, in this resolution.

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

Item No 4

Appointment of Mr. Vithala Satyanarayana Murthy (DIN: 07603834) as Independent Director of the Company

Mr. Bajrang Lal Gupta (DIN 07175777) was appointed as an Independent Director of the Company for the second term w.e.f. September 03, 2021 for a period of 5 years. His present tenure of Second Term will be concluding on September 02, 2026.

Hence, another Independent Director need to be appointed on the Board to fill the intermittent vacancy and to meet the statutory requirement as prescribed under the provisions of Companies Act, 2013.

Further in order to meet the statutory requirement of two Independent Directors on the Board of the Company, the Board of the Directors on the recommendation of the Nomination and Remuneration Committee had appointed Mr. Vithala Satyanarayana Murthy (DIN: 07603834), as an Additional Independent Director w.e.f. July 22, 2026 and pursuant to the requirements of the Act, it is being proposed to seek approval of the members for the above appointment of Mr. Vithala Satyanarayana Murthy (DIN:

07603834), as an Independent Director for a term of five years commencing from July 22, 2026. Further, Mr. Vithala Satyanarayana Murthy (DIN: 07603834) shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

"Brief profile of Mr. Vithala Satyanarayana Murthy:

Mr. Vithala Satyanarayana Murthy is B.E. (Mechanical Engineering) and has rich experience over 42 years in Nuclear Reactors Construction, Commissioning, Operation and Maintenance aspects, Nuclear Reactor safety and operation reviews and regulatory aspects. Mr. Vithala Satyanarayana Murthy has worked with BHABHA ATOMIC RESEARCH CENTRE, MUMBAI as scientific officer.

Mr. Vithala Satyanarayana Murthy is a life member of INDIAN NUCLEAR SOCIETY(INS), a Registered professional body of nuclear scientists, engineers and technologists in India, with its headquarters at Mumbai and branches at Hyderabad, Kalpakkam, Rawatbhata, Mysore and Norora. He served as executive committee member in Mumbai Branch, till 2024.

Mr. Vithala Satyanarayana Murthy (DIN: 07603834) has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. In terms of proviso to sub-section (5) of Section 152, the Board of Directors are of the opinion that Mr. Vithala Satyanarayana Murthy fulfils the conditions specified in the Act, for his appointment as an Independent Director.

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

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

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

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

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

The Board recommends the Item No. 4 for approval of the members by way of an Ordinary Resolution.

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

GMR Pochanpalli Expressways Limited

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

Place: New Delhi
Date: 22/07/2026

ANNEXURE I

Details pursuant to the requirements of Secretarial Standards-2

Name of the Director or Manager	Mr. Vithala Satyanarayana Murthy
Age	77 Years
Qualifications	B.E. (Mechanical Engineering)
Experience	He has rich experience over 42 years in Nuclear Reactors Construction, Commissioning, Operation and Maintenance aspects, Nuclear Reactor safety and operation reviews and regulatory aspects. He is a life member of INDIAN NUCLEAR SOCIETY(INS), a Registered professional body of nuclear scientists, engineers and technologists in India, with its headquarters at Mumbai and branches at Hyderabad, Kalpakkam, Rawatbhata, Mysore and Norora. He served as executive committee member in Mumbai Branch, till 2024.
Terms and conditions of appointment or reappointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Appointed as an Independent Director of the Company and will be paid sitting fees for attending Board and Committee meetings of the Company during his tenure.
Date of First appointment on the Board	July 22, 2026
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	NA
Number of Board Meetings attended during the financial year 2025-26	NA
Other Directorships	1. GMR Chennai Outer Ring Road Private Limited 2. GMR Generation Assets Limited 3. GMR Enterprises Private Limited
Membership / Chairmanship of Committees of other Boards	

Name of the Company	Committee	Chairman/ Member
GMR Chennai Outer Ring Road Private Limited	Audit Committee	Member
GMR Chennai Outer Ring Road Private	Nomination & Remuneration	Member

	Limited	Committee	
	GMR Generation Assets Limited	Audit Committee	Member
	GMR Generation Assets Limited	Nomination & Remuneration Committee	Member
	GMR Enterprises Private Limited	Audit Committee	Member
	GMR Enterprises Private Limited	Review Committee	Member

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

ATTENDANCE SLIP

DP ID		FOLIO NO. / CLIENT ID		No. of shares	

Name(s) and address of the member in full:

____

I/We hereby record my/our presence at the 21st Annual General Meeting of the Company to be held **on Thursday, the 03rd day of September, 2026** at **4.00 P.M** at **Transportation Business Board Room, GMR T&UI Office, Terminal-2, Opp. Departure Gate No. 1, IGI Airport, New Delhi – 110037**.

☐ MEMBER ☐ PROXY

____
Signature of Member / Proxy

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

FORM NO.MGT-11

PROXY FORM

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

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

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

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

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

or failing him

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

or failing him

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on, the **Thursday, the 03rd day of September, 2026** at **Transportation Business Board Room, GMR T&UI Office, Terminal-2, Opp. Departure Gate No. 1, IGI Airport, New Delhi – 110037** and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	
1.	To receive, consider and adopt the audited Financial Statements of the Company together with the report of Board of Directors and Auditors' Report thereon for the Financial Year ended March 31, 2026.
2.	To appoint Director in place of Mrs. Grandhi Ragini, Director (DIN- 00582227), who is liable to retire by rotation and being eligible offers herself for re-appointment.
Special Business	
3.	To ratify the remuneration of M/s. G. R. & Co., Cost Auditor of the Company for the Financial Year 2026-27.
4	Appointment of Mr. Vithala Satyanarayana Murthy (DIN: 07603834) as an Independent Director of the Company.

Signed this ____________________ day of ______________________2026

____

Signature of Member

Affix Revenue Stamp of Re.1

____

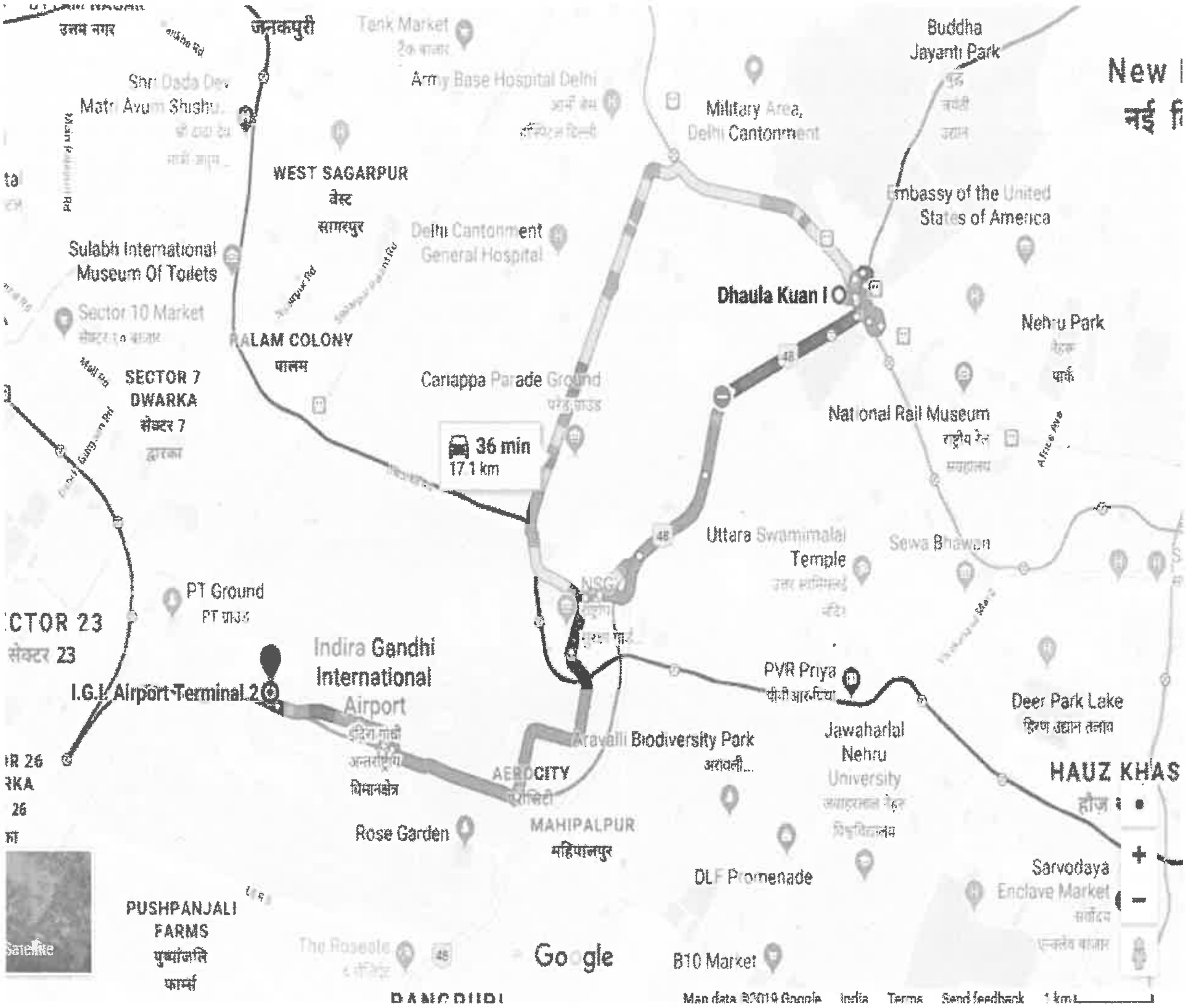
Signature of Proxy holder(s)

Notes:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

2. **A proxy need not be a member of the Company.**

ROUTE MAP OF THE VENUE



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

Director's Report

Dear Shareholders,

Your Directors have pleasure in presenting the 21st Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2026.

FINANCIAL PERFORMANCE SUMMARY

The financial highlights of your Company, for the year ended March 31, 2026 are as presented below:

(₹ in Lakh)

Particulars	March 31, 2026	March 31, 2025
Gross Income	10,425.47	10,955.31
Expenditure	4,271.00	5,229.99
Earnings before interest, depreciation and tax	**6,154.47**	**5,725.32**
Depreciation & amortization expense	162.23	120.34
Profit before Interest	**5,992.24**	**5,604.98**
Finance costs	3,656.27	4,697.58
Profit/ (Loss) before Tax	**2,335.97**	**907.40**
Tax Expense	356.76	339.65
Profit/ (Loss) after Tax	**1,979.21**	**567.75**
Re-measurement gains (losses) on defined benefit plan	**(24.44)**	**0.74**
Total Comprehensive income for the year	**1,954.77**	**568.49**
Earning per shares (EPS)	**1.43**	**0.41**

The Financial Statements of your Company for the Financial Year 2025-26 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), Indian Accounting Standards ('Ind AS') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year ended March 31, 2026, your Company made profit of ₹ 1,954.77 Lakh as compared to profit of ₹ 568.49 Lakh during the previous year. The increase in Profit during the Financial Year 2025-26 in comparison to previous financial year was mainly on account of reduction in finance cost and expenditure and also because of interest received from NHAI on amicable settlement of disputes.

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

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

The Company has completed 17 year of commercial operations and entered the last year of Concession Period and hand back phase. Required works for hand back of the project to NHAI in September 2026 are in progress. The riding quality is appreciable and within the limit specified under the Concession Agreement. Greenery is well maintained across the project. Construction of ROB which was taken up by the Company under Change of Scope as required by National Highways Authority of India was completed.

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

In respect of arbitration emanating from (Deduction in Annuity and frequency of major maintenance), Company and NHAI had entered into an amicable settlement whereby all disputes were settled resulting in refund of ₹ 40,81,67,738/- along with interest by NHAI and all pending litigations were withdrawn by the parties.

The GST Authorities vide Order dated 26.02.2025 confirmed the demand of CGST amounting to ₹ 34.13 Crore and SGST of ₹ 34.13 Crore thereby upholding that annuity should be classified under SACS 9954 and imposed a demand of penalty of ₹ 6.82 Crore along with interest. Aggrieved by the Order dated 26.02.2025 passed by GST, Company has filed a writ petition before Telangana High Court challenging the order. The Court vide order dated 01.05.2025 was pleased to stay the effect and operation of the impugned order. The next date of hearing is yet to be fixed by the Court.

Further, the approval of the Board and Shareholders obtained in their meetings held on April 29, 2026 & May 29, 2026 respectively for shifting of the registered office of the Company from Bengaluru in the State of Karnataka to Mumbai (under jurisdiction of ROC-1) in the State of Maharashtra. Newspaper publication in this regard was made on June 06, 2026. Application for the same with RD, Southern Region has been filed on July 04, 2026 in Form GNL-1. Other necessary filings with various Authorities including the Chief Secretary of the State of Karnataka was also made by the Company. The matter is being properly followed up/handled for quick disposal.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

DIVIDEND

To augment the resources for the Company's business, including resources to be utilized for repayment of final tranche of NCD repayments along with the accrued interest thereon, and as a matter of prudence, the Board of Directors have not recommended any dividend for the Financial Year 2025-26.

TRANSFER TO RESERVES

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

HOLDING COMPANY/ SUBSIDIARIES / JOINT VENTURES / ASSOCIATE COMPANIES

As on March 31, 2026, GMR Highways Limited remained the holding company by virtue of its holding 74.48% of share capital of the Company and GMR Power and Urban Infra Limited (GPUIL) remained ultimate holding company by virtue of its holding (along with GMR Highways Limited) of 100% of Share Capital of the Company.

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

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

SHARE CAPITAL

Authorized Share Capital

The Authorized Share Capital of the Company is ₹184,00,00,000 (Indian Rupees One Hundred and Eighty Four Crore Only) divided into 13,81,00,000 (Thirteen Crore Eighty One Lakh) Equity Shares of ₹ 10/- (Indian Rupees Ten Only) each and 45,90,000 (Forty Five Lakh Ninety Thousand) Preference Shares of ₹ 100/- (Indian Rupees Hundred Only) each.

During the year under review, there was no change in the Authorized Share Capital of the Company

Issued, Subscribed and Paid Up Share Capital

The Issued, Subscribed and Paid-up capital of the Company is ₹ 182,50,00,000 (Indian Rupees One Hundred Eighty Two crore and Fifty Lakh only) divided into 13,80,00,000 (Thirteen Crore Eighty Lakh) Equity Shares of ₹ 10/- (Indian Rupees Ten Only) each and 44,50,000 (Forty Four Lakh Fifty

Thousand) 8% Non-cumulative Non-Convertible Preference Shares of ₹ 100/- (Indian Rupees Hundred Only) each.

During the year under review, there was no change in the Issued, Subscribed and Paid up Share Capital of the Company.

Further, the Company, during the year under review, has neither issued any shares with differential voting rights nor has granted any stock option or sweat equity. As on March 31, 2026, none of the Directors of the Company hold any instrument convertible into Equity Shares of the Company. Accordingly, there has been no change in the Paid-up Share Capital of the Company during the year under review.

DEBENTURES LISTING WITH STOCK EXCHANGE

The Company had issued 6,500 (Six Thousand Five Hundred only) Rated, taxable, Listed, Redeemable, Non-Convertible Debentures (NCDs) of ₹ 10,00,000 (Indian Rupees Ten Lakh Only) each, aggregating to ₹ 650,00,00,000/- (Indian Rupees Six Hundred and Fifty Crore Only) on Private Placement basis on July 27, 2010.

During the year under review, the Company redeemed 264 Nos. of NCDs on April 11, 2025 and 219 Nos. of NCDs on October 13, 2025.

Subsequent to the closure of financial year, Company had redeemed 269 Nos. of NCDs on April 13, 2026.

Accordingly, out of the total 6,500 NCDs, Company has already redeemed 6,272 NCDs so far and the number of outstanding NCDs as on date (i.e. post redemption on April 13, 2026) are 228 Nos which will be redeemed n due date.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, the Company's Board comprises of Five (5) Directors, comprising of One Executive Director, Two Non - Executive Directors and Two Independent Directors. The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, expertise, diversity, and Independence. The Board provides leadership, strategic guidance, an objective and independent view to the Company's management while discharging its fiduciary duties, thereby ensuring that the management adheres to the high standards of ethics, transparency and disclosure.

Presently, post appointment of Mr. VSN Murthy as an Additional Independent Director in July 22, 2026 meeting,, the Directors on the Board and the KMPs of the Company are as follows:

S. No.	Name of Director and Key Managerial Personnel	Designation
1	Mrs. Ramadevi Bommidala	Whole Time Director
2	Mrs. Ragini Grandhi	Non-Executive Director
3	Mr. Arun Kumar Sharma	Non-Executive Director

4	Mr. Ramakrishnan Ramamurthy	Independent Director
5	Mr. Bajrang Lal Gupta	Independent Director
6	Mr. Vithala Satyanarayana Murthy #	Additional Independent Director
7	Mr. Paramjeet Singh	Company Secretary
8	Mr. Amit Kumar	Chief Financial officer
9.	Mr. Upendra Kumar*	Manager

* Mr. Upendra Kumar has been appointed as Manager of the Company w.e.f. May 01, 2025.
# Mr. Vithala Satyanarayana Murthy has been appointed as Additional Independent Director w.e.f July 22, 2026

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

DECLARATION GIVEN BY INDEPENDENT DIRECTORS

In terms of the provisions of Section 149 of the Act, the Independent Directors on the Board of your Company, as on the date of this report, are Mr. Bajrang Lal Gupta, Mr. Ramakrishnan Ramamurthy and Mr. Vithala Satyanarayana Murthy.

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

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

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

CHANGES IN COMPOSITION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Changes in Directors	Ms. Ramadevi Bommidala, Director (DIN- 00575031) of the Company, who retired by Rotation and being eligible for re-appointment was re-appointed as Director of the Company.
	The Shareholders in their Annual General Meeting held on August 18, 2025 approved the appointment of Mr. Ramakrishnan Ramamurthy (DIN-

	00680202) as an Independent Director of the Company for a term of five years, with effect from December 24, 2024.
	Mrs. Ramadevi Bommidala (DIN 00575031), appointed as Whole-time Director of the Company for a period of 2 (two) years with effect from August 01, 2025 which was approved by shareholders in their Annual General Meeting of the Company held on August 18, 2025.
Changes in KMP's	Mr. Upendra Kumar was appointed as Manager of the Company for a period of 3 years with remuneration w.e.f. May 01, 2025 which was approved by shareholders in the Annual General Meeting of the Company held on August 18, 2025.
Proposals for forthcoming AGM	Ms. Grandhi Ragini, Director (DIN- 00582227) would retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers herself for re-appointment. The Board of Directors on the recommendation of Nomination & Remuneration Committee in their meeting held on July 22, 2026 recommends her re-appointment. The proposal for her re-appointment has been included in the Notice of the ensuing Annual General Meeting.
	Mr. Vithala Satyanarayana Murthy was appointed as an additional Independent Director by the Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee w.e.f. July 22, 2026. The Board recommends to the Shareholders the appointment of Mr. VSN Murthy as an Independent Director with effect from July 22, 2026 for a period of 5 (five) years. The proposal for his appointment has been included in the Notice of the ensuing Annual General Meeting.

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

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

Mr. Ramakrishnan Ramamurthy was appointed as an additional Independent Director with effect from December 24, 2024 to hold office for a term of five (5) years. The Shareholders in its Annual General Meeting held on August 18, 2025 approved the appointment of Mr. Ramkrishnan Ramamurthy (DIN-00680202) as an Independent Director of the Company with effect from December 24, 2024 for a period of 5 (five) years.

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

NUMBER OF MEETINGS OF THE BOARD

Board Meeting

The Board of Directors met 4 (Four) times during the financial year 2025-26 i.e. on April 21, 2025; July 19, 2025; October 16, 2025 and January 20, 2026. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and Articles of Association of the Company. The details of the attendance of the Directors are provided below:

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

Audit Committee

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

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

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

All the members of Audit Committee are financially literate.

The Audit Committee met 5 (Five) times during the financial year 2025-26 i.e. on April 21, 2025; July 19, 2025; October 16, 2025, January 20, 2026 and March 31, 2026. The details of the attendance of the Committee Members are provided below:

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

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

Establishment Of Vigil Mechanism

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

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

This policy provides a platform to the directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. It also provides the mechanism for stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

Company's vigil mechanism provides adequate safeguard against the victimization of employees and directors who wish to avail the vigil mechanism to deal with the instance of fraud, mismanagement, unethical behaviour, if any. It is ensured that no Whistle Blower shall be subjected to any unfair treatment, victimization, retaliation, discrimination or adverse action for making a Protected Disclosure under this Policy.

Nomination And Remuneration Committee

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

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

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

The Committee met 2 (two) times during the Financial Year 2025-26 i.e. April 21, 2025 and July 19, 2025. The details of the attendance of the Committee Members are provided below:

Sr. No	Name of Members	Designation	No. of Meeting entitled to attend	No. of Meeting attended
1	Mr. Bajrang Lal Gupta	Chairman	2	2
2	Mr. Ramakrishnan Ramamurthy	Member	2	2

3	Mr. Arun Kumar Sharma	Member	2	2

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

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

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

The CSR Committee met 1 (one) time during the financial year 2025-26 i.e. on July 19, 2025 the details of which are given below:

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

DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY

CSR POLICY

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

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

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

During the year under review, the Company spent ₹ 5 Lakhs on CSR activities through GMR Varalakshmi Foundation i.e. 2% of the average net profits of the Company made during 3 immediately preceding financial years in terms of Section 135(5) of the Companies Act, 2013 read with the Rules framed thereunder.

Annual Report on CSR activities for the Financial Year 2025-26 as required under Sections 134 and 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014 is attached to this report as **Annexure - I.**

ANNUAL RETURN

Pursuant to the provisions as contained in Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2026 is available on the Company's website at https://www.gmrpowerurbaninfra.com/content/dam/gpuil-pdf/highway-corporate-governance/gpel-annual-return-2025-26.pdf

DEPOSITS

Since Company has not accepted any deposits covered under Chapter V (Acceptance of Deposits by the Companies) of the Companies Act, 2013 read with the Rules framed thereunder; the details required to be given in terms of Rule 8 (5)(v) & (vi) of Companies (Accounts) Rules, 2014 are not applicable.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In accordance with the provisions as prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 regarding the disclosure of names of the top ten employees in terms of remuneration drawn and the name of every employees who were in receipt of remuneration not less than one crore and two lakh rupees, if employed throughout the year, or remuneration not less than eight lakh and fifty thousand rupees per month, if employed for any part of that year are provided under **Annexure - II**

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

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

Foreign Exchange Earnings and outgo: NIL

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

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

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

The Auditor's Report does not contain any Qualification / Reservation / Adverse Remark, and hence, there were no comments or clarification needed on this point.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, The Board of Directors in its meeting held on July 19, 2025 had appointed M/s. VAPN & Associates, Company Secretaries in Whole time Practice, New Delhi to conduct the Secretarial Audit for the Financial Year 2025-26. The Secretarial Audit Report, in Form MR-3, for the Financial Year 2025-26, is annexed as **Annexure - IV.**

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

Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on July 22 2026, has reappointed M/s. VAPN & Associates, Company Secretaries in Whole time Practice, New Delhi, which has provided their consent for the appointment and also confirmed their eligibility to act as the "Secretarial Auditors" of the Company, to conduct the "Secretarial Audit" for the Financial Year 2026-27, pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, your Company was required to maintain the cost records and the said cost records were also required to be audited. Accordingly, the Board of Directors, based on the recommendation of the Audit Committee in its meeting held on July 19, 2025, had appointed M/s G.R. & Co., Cost Accountant as the Cost Auditor for the financial year 2025-26 for auditing the cost records of the Company. M/s G.R. & Co. has submitted the Cost Audit Report for the financial year 2025-26 which is annexed as **Annexure - V**. There are no qualifications, reservations or adverse remarks in the said Cost Audit Report.

Based on the recommendations of the Audit Committee, the Board of Directors in their meeting held on July 22, 2026 re-appointed M/s G.R. & Co., Cost Accountant, as the Cost Auditor for the Financial Year 2026-27 for auditing the cost records of the Company maintained pursuant to Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended.

The item for obtaining requisite approval / ratification of the shareholders for the fees payable to the Cost Auditors for conducting the audit for the Financial Year 2026-27 has been included in the notice of Annual General Meeting.

Internal Auditors

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

M/s. Bhaskara Rao & Co., Chartered Accountants has submitted the Internal Audit Report for all the 4 quarters during the financial year 2025-26 and report on Internal Financial Control for the Financial Year 2025-26. There are no qualifications, reservations or adverse remarks in the said Internal Audit Report. The audit observations made in their reports were duly explained by the management while it was considered by the Audit Committee and the Board in respective quarters and year end.

The Board of Directors in their meeting held on April 29, 2026, based on the recommendation of the Audit Committee, have appointed M/s. Bhaskara Rao & Co., Chartered Accountants, Hyderabad as the Internal Auditor for the Financial Year 2026-27.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

During the year under review, transactions entered with related parties were in accordance with the Related Party Transaction Policy of the Company and in the ordinary course of business and are generally at arms' length in their context. Further, there was no transaction for which approval of shareholders or Board was required pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the Rules framed thereunder, therefore, the particulars required to be disclosed pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014, in prescribed Form AOC- 2 is not applicable.

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

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of the report except that the Board of Directors at its meeting held on April 29, 2026, approved the shifting of Registered Office of the Company from the State of Karnataka, Bengaluru to the State of Maharashtra, Mumbai, which was subsequently approved by the shareholders at the Extra-ordinary General Meeting held on May 29, 2026. The necessary statutory process for affecting the change of the registered office is currently underway.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Directors, based on their knowledge and belief and according to the information and explanation / certifications obtained from the management, confirm in respect of the audited financial statements for the year ended March 31, 2026 that:

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

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

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

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

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

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY.

Company has a detailed Risk Management Policy duly approved by the Audit Committee and the Board. The risk analysis is carried out with the help of Enterprises Risk Management team of the Group in line with the Risk Management Policy of the Company. The Company's Risk Management framework is in line with the current best practices and effectively addresses the emerging challenges in a dynamic business environment which incorporate therein the specific elements of risk associated with the business of the Company. In today's challenging and competitive environment strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative.

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

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

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

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

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

Independent Directors' Meeting

Pursuant to the provisions of Schedule IV of the Act, the independent directors must hold at least one meeting in a year without the presence of non–independent directors and members of the Management. Accordingly, independent directors of the Company met on June 25, 2026:

I. To review the performance of non-independent directors and the Board as a whole;
II. To assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties;
III. Any other matter the Independent Directors may want to discuss.

All the Independent Directors were present at the meeting.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.

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

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

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

The internal control system of the Company provides for adherence to approved procedures, policies, guidelines and authorization. In order to ensure that all checks and balances are in place and all the internal control systems and procedures are in order, regular and exhaustive internal audit is conducted by M/s. Bhaskara Rao & Co., Chartered Accountants.

Internal Audit Reports prepared M/s. M. Bhaskara Rao & Co. were reviewed by the Audit Committee on quarterly basis, which were then placed before the Board.

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

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

Disclosure in terms of the Listing Agreement for Debt Securities.

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

S. No.	In the accounts of an issuer who is a	Disclosures of amount at the year end and the maximum amount of loans / advances / investments Outstanding during the year 2025-26:
1.	GMR Highways Limited – (Holding Company)	Loan given and outstanding as at 31.03.2026, ₹ 12,427.92 Lakh
		Maximum Amount outstanding during the year, ₹ 12,519.92 Lakh
2.	GMR Power and Urban Infra Limited - (Holding Company)	Loan given and outstanding as at 31.03.2026, ₹ 14,950.56 Lakh
		Maximum Amount outstanding during the year, ₹ 12,150.56 Lakh
3.	Dhruvi Securities Pvt. Ltd- (Fellow subsidiary Company)	Loan given and outstanding as at 31.03.2026, ₹ 177.00 Lakh
		Maximum Amount outstanding during the year, ₹ 177.00 Lakh
4.	GMR Ambala-Chandigarh Expressways Private Limited – (Fellow subsidiary Company)	Loan given and outstanding as at 31.03.2026, ₹ 266.53 Lakh
		Maximum Amount outstanding during the year, ₹ 266.53 Lakh

Details of Debenture Trustee:

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

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

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

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

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

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

As required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, a statement showing the number of complaints filed during the financial year and the number of complaints pending as on the end of the financial year is shown as under:

Category	No. of complaints pending at the beginning of the year	No. of complaints received during the year	No of complaints disposed off during the year	No of number of cases pending for more than ninety days
Sexual Harassment	Nil	Nil	Nil	Nil

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

Company have Maternity Leave Policy in place as per the Maternity Benefit Act, 1961. During the year, the Company has not received any request from its employees for Maternity Leaves and other benefits under Maternity Benefit Act, 1961.

SECRETARIAL STANDARDS

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

CORPORATE GOVERNANCE

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

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

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

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

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

CREDIT RATINGS

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

INVESTOR GRIEVANCES / COMPLAINTS

The details of the Investor Complaints received and resolved during the Financial Year ended March 31, 2026 are as follows:

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

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

PROHIBITION OF INSIDER TRADING

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

DESIGNATED PERSON

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

NODAL OFFICER

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

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

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

ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their sincere thanks and gratitude to the Government of India, Government of Telangana, National Highways Authority of India and other Central and State Government Agencies, Life Insurance Corporation of India, IDBI Bank, Axis Trustee Services Limited and Statutory Auditors M/s Chaturvedi & Shah LLP, Chartered Accounts for their support.

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

For and on behalf of the Board
GMR Pochanpalli Expressways Limited

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

Date: 22/07/2026
Place: New Delhi

Annexure - I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2025-26

1. **Brief outline on CSR Policy of the Company:** Refer Section: Corporate Social Responsibility (CSR) in the Board's Report

2. **Composition of the CSR Committee:**

S.No.	Name of Member	Designation	Number of meetings held during the year	Number of meetings attended during the year
1.	Mr. Bajrang Lal Gupta	Chairman	1	1
2.	Mr. Arun Kumar Sharma	Member	1	1
3.	Mr. Ramakrishnan Ramamurthy	Member	1	1

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:**

Composition of the CSR committee shared above and is available on the Company's website on	https://www.gmrpui.com/adloor-gundla-pochannpalli/#CSR
CSR Policy	https://www.gmrpui.com/pdf/Corporate-Social-Responsibility-Committee-Policy.pdf
CSR projects	https://gmrpui.com/pdf/Annual-CSR-Activity-Report-GPEL-2025-26.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):** Not Applicable for the financial year under review.

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

S.No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be setoff for the financial year, if any (in Rs.)
NIL			

6. **Average net profit of the Company as per Section 135(5):** ₹ 2.47 Crore

7. **(a) Two percent of average net profit of the Company as per section 135(5):** ₹ 4.94 Lakh
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
(c) Amount required to be set off for the financial year, if any: NIL
(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 4.94 Lakh

8. **(a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (Rs. Lakh)	**Amount Unspent (Rs. Lakh)**				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		**Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)**		
	Amount	**Date of transfer**	**Name of the Fund**	**Amount**	**Date of transfer**
5	NIL	-	-	NIL	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/ No)**	**Location of the project**	**Project duration**	**Amt allocated for the project (in ₹)**	**Amt spent in the current financial Year (in ₹)**	**Amt transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)**	**Mode of Implementation - Direct (Yes/No)**	**Mode of Implementation –T Through Implementing Agency**	
				District	District					**Name**	**CSR Registration Number**
NIL											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	**Name of the Project**	**Item from the list of activities in schedule VII to the Act**	**Local area (Yes/ No)**	**Location of the project**	**Amount spent for the project (in Lakh)**	**Mode of implementati on - Direct (Yes/No).**	**Mode of implementation - Through implementing agency**

				State	District			Name	CSR Registration Number
1	Promoting Education including Vocational Skills	Schedule VII-ii	Yes	Telangana, Andhra Pradesh and Tamil Nadu	Medak, Medchal, Kamareddy, Yadadri-Bhuvanagiri, Nalgonda, NTR, Chengalpattu, Kanjipuram, Thiruvalluru	2.17	No	GMR Varalakshmi Foundation	CSR00000851
2	Promoting Education including Special education (Road Safety)	Schedule VII-ii	Yes	Telangana & Andhra Pradesh	Medak, Medchal, Kamareddy, Yadadri-Bhuvanagiri, Nalgonda,NTR District, Chengalpattu, Kanjipuram, Thiruvalluru	2.58	No	GMR Varalakshmi Foundation	CSR00000851

(d) Amount spent in Administrative Overheads: ₹ 0.25 Lakh

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year: ₹ 5 Lakh
(8b+8c+8d+8e)

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	4,94,392.00
(ii)	Total amount spent for the Financial Year	5,00,000.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	5,608
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer.	
1.	-	NIL	-	-	NIL	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) Date of creation or acquisition of the capital asset(s): None
(b) Amount of CSR spent for creation or acquisition of capital asset: NIL
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): Not Applicable

For and on behalf of the Board

Sd/- **Sd/-**

Date: 22/07/2026
Place: New Delhi

Arun Kumar Sharma
Director
DIN: 02281905

Bajrang Lal Gupta
Chairman
DIN: 07175777

Annexure - II

Particulars of Employees and related disclosures

Name	Designation	Gross Remuneration (₹ in Crore)	Nature of Employment	Qualification	Exp (Yrs.)	Date of Commencement of Employment	Age (Yrs.)	Last Employment
Mr. O Bangaru Raju	Managing Director - Highways	1.98	Permanent	CA	49.1	01.05.2019	69	Suryavamshi Spinning Mills Ltd.
Mrs. Ramadevi Bommidala	Whole Time Director	1.21	Permanent	Graduate in in B.Sc. Home Science	23.7	01.08.2022	53	GMR Group
Mr. Amit Kumar	CFO	1.14	Permanent	CA	23.8	01.08.2005	47	Essar Constructions Limited.
Mr. Barathi Renganathan	Project Manager	056.	Permanent	B.E.	33.6	30.09.2010	56	Theme Engineering Services Pvt Ltd
Mr. Harish Kumar	Manager - HR	0.23	Permanent	MBA	20.2	10.01.2017	44	IOT Infrastructure & Energy Services Ltd.
Mr. Upendra Kumar	Project Manager	0.52	Permanent	B. E	32	01.09.2015	56	Larsen and Toubro Ltd
Mr. Neeraj Kumar*	Manager-Planning	0.25	Permanent	B. E	15	18-03-2020	36	Larsen and Toubro Ltd
Penumala Rajendra Kumar	Manager - O&M	0.25	Permanent	B. E	26.3	20.06.2011	57	Madhucon Projects Ltd
Brajesh Kumar Tiwary	Manager - F&A	0.26	Permanent	CA, MBA	22	08-04-2015	46	JMC Projects (India) Ltd

*On the roll of the Company till 27.01.2026.

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

Annexure - III

GMR Pochanpalli Expressways Limited

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

(A) Conservation of Energy

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

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

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

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

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

(iii) Installation of LED lights:

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

(B)Technology in Civil Construction:

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

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

(C) Technology Absorption:

(i) GSM Sim based Connectivity: Company has proposed to adopt wireless connectivity for the HTMS – ECBs (Highway Traffic Management System – Emergency Call boxes). Previously these were connected through optical fiber. However due to repeat fiber cuts due to works by various Government departments, the functionality of these equipment was affected. Hence, GSM based sim-card technology connectivity is implemented.

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

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

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

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

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

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

We have conducted the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, on the compliance of applicable statutory provisions and the adherence to good corporate practices by **GMR Pochanpalli Expressways Limited** (hereinafter called **"the Company"**) during the financial year from April 01, 2025 to March 31, 2026 **('the year'/ 'audit period'/ 'period under review').**

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

We are issuing this report based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company, and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has during the audit period covering the audit period, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

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

VAPN & ASSOCIATES
PRN
P2016DE045500
Company Secretaries

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

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

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

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

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

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

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

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

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client.

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

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

VAPN & ASSOCIATES Company Secretaries FRN P2016DE045500

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

6. Other laws specifically applicable to the Company, namely:
   (a) Maternity Benefits Act, 1961 and rule made thereunder;
   (b) Payment of Wages Act, 1936, and rules made thereunder;
   (c) The Minimum Wages Act, 1948, and rules made thereunder;
   (d) Employees' State Insurance Act, 1948, and rules made thereunder;
   (e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder;
   (f) The Payment of Bonus Act, 1965, and rules made thereunder;
   (g) Payment of Gratuity Act, 1972, and rules made thereunder;
   (h) The Contract Labour (Regulation & Abolition) Act, 1970;
   (i) The Arbitration and Conciliation Act, 1996
   (j) Indian Stamp Act, 1899 & State Stamp Acts
   (k) Registration Act, 1908
   (l) Contract Act, 1872
   (m) The Environment (Protection) Act, 1986
   (n) National Highways Authority of India Act, 1988
   (o) The Motor Vehicles Act 1988
   (p) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
   (q) The Air (Prevention and Control of Pollution) Act, 1981
   (r) The Water (Prevention and Control of Pollution) Act, 1974
   (s) The Hazardous Waste (Management and Handling) Rules, 1989
   (t) The Andhra Pradesh Minor Mineral Concession Rules, 1966

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

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

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

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

1. The Board of Directors of the Company is duly constituted with required numbers of Executive Directors, Non-Executive Directors, and Independent Directors. There is no change in Composition of the Board of Directors except as given below:

VAPN & ASSOCIATES FRN P2015DE045500 Company Secretaries

(a) The Shareholders in their Annual General Meeting held on August 18, 2025 approved the appointment of Mr. Ramakrishnan Ramamurthy (DIN-00680202) as an Independent Director of the Company for a term of five years, with effect from December 24, 2024.b. Mrs. Ramadevi Bommidala (DIN 00575031), appointed as Whole-time Director of the Company for a period of 2 (two) years with effect from August 01, 2025 which was approved by shareholders in their Annual General Meeting of the Company held on August 18, 2025.

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

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

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

5. **We further report that** as per explanations and management representations obtained and relied upon by us, during the period under review there is no such specific events/actions having major bearing on the Company's affairs had taken place in pursuance to the laws, rules, regulations, guidelines, and standards except that:

   (i) The Board in its meeting held on July 19, 2025, had approved to reduce the rate of interest to 7.75% p.a. on all the existing and further new loans as granted or may be granted hereafter by the Company to any of the companies/entities within the GMR Group with effect from July 01, 2025.

   (ii) The Board of Directors in their meeting held on October 16, 2025, approved to grant unsecured loan of upto ₹50,00,00,000/- (Rupees Fifty Crore Only) in aggregate at rate of Interest of 7.75%, during the financial year 2025-26 in one or more tranches, to entities/Companies of the GMR Group.

(iii)The Board of Directors in their meeting held on January 20, 2026, approved to write off the receivables pertaining to the investment in CCDs of Kakinada SEZ of ₹ 22,73,00,000/-

For VAPN & Associates
Practicing Company Secretaries
ICSI Unique Code: P2015DE045500
Peer Review Certificate No. 7429/2025

VAPN & ASSOCIATES FRN P2015DE045500 Company Secretaries

Prabhakar Kumar
Partner
FCS No: 5781 |COP No: 10630
ICSI UDIN: F005781H000769753

Date: 07/07/2026
Place: New Delhi

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

"Annexure-A"

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

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

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

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

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

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

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

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

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

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

VAPN & ASSOCIATES FRN P2015DE045500 Company Secretaries

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

For VAPN & Associates
Practicing Company Secretaries
ICSI Unique Code: P2015DE045500
Peer Review Certificate No. 7429/2025

VAPN & ASSOCIATES
FRN
P2015DE045500
Company Secretaries

Prabhakar Kumar
Partner
FCS No: 5781 |COP No: 10630
ICSI UDIN: F005781H000769753

Date: 07/07/2026
Place: New Delhi

GMR POCHANPALLI EXPRESSWAYS LIMITED

CIN:U45200KA2005PLC049327

COST AUDIT REPORT 2025-26

G.R & Co.
COST ACCOUNTANT

No. 259, 2nd Floor,
10th Cross, 2nd Main,
Padmanabhanagar
Bangalore -560 070

FORM CRA- 3

FORM OF COST AUDIT REPORT

[Pursuant to rule 6(4) of the companies (cost account and audit) rules, 2014)]

To,
The Board of Directors of GMR Pochanpalli Expressways Limited
25/1, SKIP House,
Museum Road,
Bangalore – 560 025

I, Geetha R, having been appointed as a cost auditor under section 148(3) of companies act 2013 (18 of 2013) of GMR Pochanpalli Expressways Limited having its registered office at # 25/1, SKIP House, Museum Road, Bangalore – 560 025 (hereinafter referred to as company), have audited the cost records maintained under section 148 of the said act, in compliance with the cost audit standards for the year 2025-26maintained by the company.

i. The audit of cost records has been made in conformity with the Cost Auditing Standards issued by the Institute of Cost Accountants of India.

ii. I have obtained all the information and explanation, which to the best of my knowledge and belief were necessary for the purpose of audit.

iii. In my opinion, proper cost records, as per the rule 5 of the companies (cost records and audit) Rules 2014 have been maintained by the company in respect of service under reference.

iv. In my opinion, proper returns adequate for the purpose of the cost audit have been received from the branches not visited by me.

v. In my opinion and to the best of my information, the said books and records give the information required by the companies Act, 2013, in the manner so required.

vi. In my opinion, company have adequate system of internal audit of cost records which to my opinion is commensurate to its nature and size of its business.

vii. In my opinion, information, statements annexure to this cost audit report gives a true and fair view of the cost of rendering of service, cost of sale, margin and other information relating to the service under reference.

viii. In my opinion, the company has provided the required certified cost statements and schedules for each service.

ix. Detailed service-wise cost statements and schedules thereto in respect of the service under reference of the company duly audited and certified by me are kept in the company.

DATE: DD/MM/YYYY
PLACE: Bengaluru

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

G.R & Co.
COST ACCOUNTANT

No. 259, 2nd Floor,
10th Cross, 2nd Main,
Padmanabhanagar
Bangalore -560 070

Cost Accounting Policy:

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

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

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

4. The indirect expenses incurred has to be allocated to the projects by the company during 2025-26. The overheads has been allocated based on the turnover of the project.

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

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

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

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

9. The company has not incurred any abnormal costs during the year 2025-26. The other non-cost item incurred by the company has been considered as reconciliation item as the same is not incurred for the project undertaken by the company.

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

11. The company has not changed any cost accounting policy during the reporting period 2025-26.

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

Email : cma.geethar@gmail.com

Annexure to Cost Audit Report

GMR POCHANPALLI EXPRESSWAYS LIMITED

Financial Year : 2025-26

CIN:U45200KA2005PLC049327

PART-A

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

Sl.No.	Name of Product(s)/Service(s)	UOM	CETA heading (wherever applicable)	Whether covered under cost audit. Yes / No	Net Operational Revenue (net of taxes, duties etc.)	
					2025-26 Rs.	2024-25 Rs.
1	Roads and other Infrastructure projects	Projects		Yes	70,98,91,000	72,11,61,743
					-	-
						-
						-
Total net revenue from operations					**70,98,91,000**	**72,11,61,743**
Other Incomes of company					33,26,56,000	37,43,69,207
Total revenue as per financial accounts					**1,04,25,47,000**	**1,09,55,30,950**
Extra Ordinary Income, If any					-24,44,000	74,000
Total revenue including Extra ordinay income					1,04,01,03,000	1,09,56,04,950
Turnover as per GST Records					1,32,32,28,572	93,30,72,698

Note-1 : The difference between revenue as per Financial Statements and revenue as per GST records is mainly due to Ind AS adjustment and also delayed filing of GST returns for March 2025 during April 2025 along with payment of applicable interest. Further, the difference also arises on account of certain interest incomes which are not considered as supply under GST for the organization. In addition, certain current year revenues recoverable in the subsequent year also contribute to the variance.

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

PART-B

FOR SERVICE SECTOR

1. QUANTITATIVE INFORMATION (For each service separately)

Name of Service	**Roads and other Infrastructure projects**		
Service Code (if applicable)			-
Particulars	**UOM**	**2025-26**	**2024-25**
1. Available Capacity			
(a) Installed Capacity	Project	1	1
(b) Capacity enhanced during the year, if any			
(c) Total available Capacity	**Project**	**1**	**1**
2. Actual Service Provided			
(a) Own Services	Project	1	1
(b) Services under contranctual aggangements			
(c) Outsourced Services			
(d) Total Services	**Project**	**1**	**1**
3. Total services provided as per Service Tax Records			
4. Capacity Utilization (in-house)		100%	100%
5. Actual Sales			
(a) Service rendered - Domestic	Project	1	1
(b) Service rendered - Export			
(c) Total Services Rendered	**Project**	**1**	**1**

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

2. ABRIDGED COST STATEMENT (for each service separately)				
Name of Service	**Roads and other Infrastructure projects**			
Service Code (if applicable)	-			
Unit of measure	**Project**			
Particulars	**Service Provided**	**Captive Consumption**	**Other Adjustments**	**Services Rendered**
Current Year: 2025-26	1	-	-	1
Previous Year: 2024-25	1	-	-	1

Sl.No.	Particulars	2025-26		2024-25	
		Amount (Rs.)	Rate per unit (Rs.)	Amount (Rs.)	Rate per unit (Rs.)
1	Materials Consumed (specify details as per Para 2A)	18,27,19,000	18,27,19,000	28,04,46,835	28,04,46,835
2	Process Materials/Chemicals	-	-	-	-
3	Utilities (specify details as per 2B)	77,93,785	77,93,785	93,42,620	93,42,620
4	Direct Employees Cost	2,86,32,026	2,86,32,026	2,34,07,495	2,34,07,495
5	Direct Expenses	2,08,34,055	2,08,34,055	2,55,73,081	2,55,73,081
6	Consumable Stores and Spares	48,08,000	48,08,000	70,84,018	70,84,018
7	Repairs and Maintenance	48,000	48,000	72,65,124	72,65,124
8	Quality Control Expenses		-	6,71,802	6,71,802
9	Research and Development Expenses	-	-	-	-
10	Technical Know-how fee/ Royalty	-	-	-	-
11	Depreciation/Amortization	1,62,23,000	1,62,23,000	1,20,34,379	1,20,34,379
12	Other Production Overheads	-	-	-	-
13	Industry specific Operating expenses (specify details as per para 2C)	-	-	-	-
14	**Total (1 to 13)**	**26,10,57,866**	**26,10,57,866**	**36,58,25,355**	**36,58,25,355**
15	Increase/Decrease in Work-In-Progress	-	-	-	-
16	Less: Credit for Recoveries, if any	-	-	-	-
17	Primary packing Cost	-	-	-	-
18	**Cost of Production/Operations (14 + 15 to 17)**	**26,10,57,866**	**26,10,57,866**	**36,58,25,355**	**36,58,25,355**
19	Cost of Finished Goods Purchased	-	-	-	-
20	**Total Cost Of Production and Purchases (18 + 19)**	**26,10,57,866**	**26,10,57,866**	**36,58,25,355**	**36,58,25,355**
21	Increase/Decrease in Stock of Finished Goods	-	-	-	-
22	Less: Self/Captive Consumption (incl. Samples, etc.)	-	-	-	-
23	Other Adjustments (if any)	-	-	-	-
24	**Cost Of Production/Operation of Product Sold (20 + 21 to 23)**	**26,10,57,866**	**26,10,57,866**	**36,58,25,355**	**36,58,25,355**
25	Administrative Overheads	17,41,13,134	17,41,13,134	16,86,35,443	16,86,35,443
26	Secondary Packing Cost	-	-	-	-
27	Selling and Distribution Overheads	4,84,000	4,84,000	5,73,581	5,73,581
28	**Cost of Sales before Interest (24 to 27)**	**43,56,55,000**	**43,56,55,000**	**53,50,34,378**	**53,50,34,378**
29	Interest and Financing Charges	36,56,27,000	36,56,27,000	46,97,57,134	46,97,57,134
30	**Cost of Sales (28 + 29)**	**80,12,82,000**	**80,12,82,000**	**1,00,47,91,512**	**1,00,47,91,512**
31	Net Sales Realization (Net of Taxes and Duties)	70,98,91,000	70,98,91,000	72,11,61,743	72,11,61,743
32	**Margin [Profit/Loss] as per Cost Accounts (31-30)**	**(9,13,91,000)**	**(9,13,91,000)**	**(28,36,29,769)**	**(28,36,29,769)**

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

2A. DETAILS OF MATERIALS CONSUMED

Name of Service			**Roads and other Infrastructure projects**					
Service Code (if applicable)								-
Description of materials	**Category**	**UOM**	**2025-26**			**2024-25**		
			Quantity	**Rate per Unit**	**Amount**	**Quantity**	**Rate per Unit**	**Amount**
Indigenous	Indigenous		1.00	18,27,19,000.00	18,27,19,000	1	28,04,46,835.00	28,04,46,835
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
Total			**1.00**		**18,27,19,000**	**1.00**		**28,04,46,835**

Category: Indigenous/Imported/Self Manufactured

2B. DETAILS OF UTILITIES CONSUMED

Name of Service			**Roads and other Infrastructure projects**					
Service Code (if applicable)								-
Description of Utilities	**Category**	**UOM**	**2025-26**			**2024-25**		
			Quantity	**Rate per Unit**	**Amount**	**Quantity**	**Rate per Unit**	**Amount**
Electricity and water charges	Indigenous			-	77,93,785		-	93,42,620
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
Total			**-**		**77,93,785**	**-**		**93,42,620**

PART-D

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

Sl.No.	Particulars	2025-26			2024-25		
		Sales Rs.	Cost of Sales Rs.	Margin Rs.	Sales Rs.	Cost of Sales Rs.	Margin Rs.
1	Roads and other Infrastructure projects	70,98,91,000	80,12,82,000	(9,13,91,000)	72,11,61,743	1,00,47,91,512	(28,36,29,769)
	TOTAL	**70,98,91,000**	**80,12,82,000**	**(9,13,91,000)**	**72,11,61,743**	**1,00,47,91,512**	**(28,36,29,769)**

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

Sl.No.	Particulars	2025-26	2024-25
1	**Profit or Loss as per Cost Accounting Records**	**(9,13,91,000)**	**(28,36,29,769)**
	(a) For the audited product/Service groups	(9,13,91,000)	(28,36,29,769)
	(b) For the un-audited product /Service groups		-
2	**Add: Incomes not considered in cost accounts:**	**33,26,56,000**	**37,43,69,207**
	Interest Income on Bank Deposit and others	68,02,000	77,57,572
	Interest on loan to related parties	31,71,54,000	35,79,19,078
	Interest on compulsorily convertible debentures	33,000	9,436
	Interest on Income Tax Refund	9,48,000	18,93,693
	Reversal of modification loss on Loan to related parties		56,17,186
	Modification gain on right of use assets	18,21,000	-
	Excess provision written back*	28,95,000	5,88,265
	Scrap Sale		5,83,958
	Other non-operating income	30,03,000	19
3	**Less: Expenses not considered in cost accounts:**	**76,68,000**	**-**
	Corporate Social Responsibility	5,00,000	
	Advances written off	71,68,000	
		-	-
8	Adjustments for others, if any (specify)		-5
9	**Profit or (Loss) as per Financial Accounts**	**23,35,97,000**	**9,07,39,433**

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

Sl.No.	Particulars	2025-26	2024-25
A	**Value Addition:**		
1	Gross Sales (excluding returns)	70,98,91,000	72,11,61,743
2	Less: Excise duty, etc.		-
3	**Net Sales (1 - 2)**	**70,98,91,000**	**72,11,61,743**
4	Add: Export Incentives	-	-
5	Add/Less: Adjustment in Finished Stocks	-	-
6	Less: Cost of bought out inputs	-	-
	(a) Cost of Materials Consumed	18,27,19,000	28,04,46,835
	(b) Process Materials / Chemicals	-	-
	(c) Consumption of Stores & Spares	48,08,000	70,84,018
	(d) Utilities (e.g. power & fuel)	77,93,785	93,42,620
	(e) Others, if any	3,71,05,055	4,48,72,584
	Total Cost of bought out inputs	23,24,25,840	34,17,46,057
7	**Value Added (3 + 4 + 5 - 6)**	**47,74,65,160**	**37,94,15,686**
8	Add: Income from any other sources	33,26,56,000	37,43,69,207
9	Add: Extra Ordinary Income	-24,44,000	74,000
10	**Earnings available for distribution (7 + 8 + 9)**	**80,76,77,160**	**75,38,58,893**
B	**Distribution of Earnings to:**		
11	Employees as salaries & wages, retirement benefits, etc.	2,86,32,026	2,34,07,495
12	Shareholders as dividend	-	-
13	Company as retained funds	23,35,97,000	9,07,39,433
14	Government as taxes (specify)	-	-
15	Extra Ordinary Expenses	-	-
16	Others	54,78,92,134	63,97,11,861
17	**Total distribution of earnings (11 to 16)**	**81,01,21,160**	**75,38,58,789**

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

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

Sl.No.	Particulars	Units	2025-26	2024-25
A.	**Financial Position:**			
1	Share Capital	Rs.	1,38,00,00,000	1,38,00,00,000
2	Reserves & Surplus	Rs.	1,85,14,99,000	1,65,60,22,000
3	Long Term Borrowings & Liabilities Note-2	Rs.	43,19,20,000	1,64,28,96,000
4	(a) Gross Assets *	Rs.	39,19,15,000	1,14,26,13,000
	(b) Net Assets **	Rs.	4,27,85,000	78,46,38,000
5	(a) Total Current Assets	Rs.	5,03,33,55,000	4,60,40,44,000
	(b) Less: Current Liabilities & Provisions	Rs.	1,74,07,21,000	1,03,77,64,000
	(c) Net Current Assets	Rs.	3,29,26,34,000	3,56,62,80,000
6	Capital Employed	Rs.	3,84,31,68,500	4,77,56,15,150
7	Net Worth	Rs.	3,23,14,99,000	3,03,60,22,000
B.	**Financial Performance:**			
1	Value added	Rs.	47,74,65,160	37,94,15,686
2	Net Revenue from Operations of company	Rs.	70,98,91,000	72,11,61,743
3	Profit Before Tax(PBT)	Rs.	23,35,97,000	9,07,39,433
C.	**Profitability Ratios:**			
1	PBT to Capital Employed (B3/A6)	%	6.08%	1.90%
2	PBT to Net Worth (B3/A7)	%	7.23%	2.99%
3	PBT to Value added (B3/B1)	%	48.92%	23.92%
4	PBT to Net Revenue from Operations (B3/B2)	%	32.91%	12.58%
D.	**Other Financial Ratios:**			
1	Debt-Equity Ratio		0.31	1.19
2	Current Assets to Current Liabilities		2.89	4.44
3	Valued Added to Net Revenue From Operations	%	67.26%	52.61%
E.	**Working Capital Ratios:**			
1	Raw Materials Stock to Consumption	Months	8.40	9.20
2	Stores & Spares to Consumption	Months	0.22	0.23
3	Finished Goods Stock to Cost of Sales	Months	-	-

Notes:

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

		FY : 2025-26	FY : 2024-25
i. a) Tangible Fixed Assets (Gross)	Rs.	1,87,16,000	1,77,38,000
b) Tangible Fixed Assets (Net)	Rs.	48,22,000	57,48,000
ii. a) Intangible Assets (Gross)	Rs.	4,37,28,000	3,32,14,000
b) Intangible Assets (Net)	Rs.	3,64,92,000	1,52,29,000
iii. Investments	Rs.	32,80,00,000	32,80,00,000
iv. Income tax assets (net)	Rs.	-	-
v. Other financial assets	Rs.	14,71,000	3,44,19,000
vi. Other non-current assets etc.	Rs.	-	72,92,42,000
*** Total Gross Assets [i(a) + ii(a) + (iii to vi)]**	Rs.	**39,19,15,000**	**1,14,26,13,000**
**** Total Net Assets [i(b) + (iv to vi)]**	Rs.	**4,27,85,000**	**78,46,38,000**

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

		FY : 2025-26	FY : 2024-25
i. Long term borrowings	Rs.	421162000	877434000
ii. Long term provisions	Rs.	1,07,58,000	692820000
iii. Lease liabilities	Rs.	-	6347000
iv. Other long term liabilities etc.	Rs.	-	66295000
Total	Rs.	**43,19,20,000**	**1,64,28,96,000**

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

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

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

2025-26

(Amount in Indian Rupees)

Sl.No.	Name & Address of the Related Party	Details of Related Party	Name of the Product / Service Group	Nature of Transaction (Sale, Purchase, etc.)	Transfer Price	Amount	Normal Price	Basis adopted to determine the Normal Price
1	GMR Highways Limited (GHWL)	CIN: U45203MH2006PLC287171 PAN: AADCG9020E Country: India	Monthly Maintenance of Highways	Service Rendered	4,73,66,000	4,73,66,000	4,73,66,000	Arms length Price
2	GMR Highways Limited (GHWL)	CIN: U45203MH2006PLC287171 PAN: AADCG9020E Country: India	scope work reimbursed	Service Rendered	4,37,76,000	4,37,76,000	4,37,76,000	Arms length Price
3	GMR Highways Limited (GHWL)	CIN: U45203MH2006PLC287171 PAN: AADCG9020E Country: India	Periodic maintenance of Highways not recognised as expenses as per Ind AS 115	Service Rendered	9,51,79,000	9,51,79,000	9,51,79,000	Arms length Price
4	Raxa Security Services Limited (RSSL)	CIN: U74920KA2005PLC036865 PAN: AADCR0713K Country: India	Charges for Security & Toll management services	Service Rendered	1,13,40,000	1,13,40,000	1,13,40,000	Arms length Price
5	GMR Highways Limited (GHWL)	CIN: U45203MH2006PLC287171 PAN: AADCG9020E Country: India	Unwinding Interest on Periodic Maintenance / (reversal)	Service Rendered	2,62,18,000	2,62,18,000	2,62,18,000	Arms length Price
6	GMR Enterprises Private Limited [GEPL]	CIN: U74900TN2007PTC102389 PAN: AACCG8619E Country: India	Trademark & Logo fees	Service Rendered	21,30,000	21,30,000	21,30,000	Arms length Price
7	Delhi International Airports Limited [DIAL]	CIN: U63033DL2006PLC146936 PAN: AACCD3570F Country: India	Electricity & Maintenance	Service Rendered	1,57,91,000	1,57,91,000	1,57,91,000	Arms length Price
8	GMR Power and Urban Infra Limited [GPUIL]	CIN: L:L45400HR2019PLC125712 Country: India	Share of Corporate Common expense	Service Rendered	1,44,42,000	1,44,42,000	1,44,42,000	Arms length Price
9	GMR Power and Urban Infra Limited [GPUIL]	CIN: L:L45400HR2019PLC125712 Country: India	Reimbursement of BG Commision Charges	Service Rendered	24,70,000	24,70,000	24,70,000	Arms length Price
10	GMR Highways Limited (GHWL)	CIN: U45203MH2006PLC287171 PAN: AADCG9020E Country: India	Reimbursement of IT Support Services & Consultancy charges	Service Rendered	6,83,000	6,83,000	6,83,000	Arms length Price
11	GMR Highways Limited (GHWL)	CIN: U45203MH2006PLC287171 PAN: AADCG9020E Country: India	Reimbursement of Repairs and Maintenance	Service Rendered	44,84,000	44,84,000	44,84,000	Arms length Price
12	GEOKNO India Private Limited (GIPL)	CIN: U93000KA2009PTC069462 Country: India	Operation & maintenance expenses	Service Rendered	1,00,000	1,00,000	1,00,000	Arms length Price
13	GMR Hospitality and Retail Limited (GHRL)	CIN:U52100TG2008PLC060866 Country: India	Reimbursement of accomodation Charges	Service Rendered	24,000	24,000	24,000	Arms length Price
14	GMR Varalakshmi Foundation	CIN:U80301AP2003NPL042195 PAN: AACCG6476B Country: India	CSR Expenses		5,00,000	5,00,000	5,00,000	Arms length Price
	TOTAL				**26,45,03,000**	**26,45,03,000**	**26,45,03,000**	

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

2025-26

Sl.No	Particulars	Assessable Value Rs.	IGST Rs.	CGST Rs.	SGST Rs.	Cess Rs.
A.	**Duties/Taxes payable**					
	Goods and Services Tax					
1	Outward taxable supplies (other than zero rated, nil rated and exempted)	**1,32,32,28,572**	-	11,90,90,571	11,90,90,571	
2	Outward taxable supplies (zero rated)		-		-	
3	Other outward supplies (Nil rated, exempted)	-	-		-	
4	Inward supplies (liable to reverse charge)	80,71,991	12,56,376	45,180	45,180	
5	Non-GST outward supplies	-	-		-	
6	**Total Duties/Taxes Payable (1 to 5)**	**1,33,13,00,563**	**12,56,376**	**11,91,35,751**	**11,91,35,751**	**-**
B.	**Duties/Taxes Paid**					
7	Total IGST Utilized		-	1,17,08,774	1,17,08,774	-
8	Total CGST Utilized		-	3,23,01,292	-	-
9	Total SGST Utilized		-	-	3,23,01,292	-
10	**Total (7 to 9)**		**-**	**4,40,10,066**	**4,40,10,066**	**-**
11	Paid through PLA/Cash		12,56,376	7,51,25,685	7,51,25,685	-
12	**Total Duties/Taxes Paid (10 + 11)**		**12,56,376**	**11,91,35,751**	**11,91,35,751**	**-**
13	Duties/Taxes Recovered		-	1	1	-
14	Difference between Duties/Taxes paid and Recovered		-	-	-	-
15	Interest/Fines/Penalty Paid		-	-	-	-

Cost Auditor **For Company's Name**

Geetha R
Membership No. 30294

Director-
DIN:

Company Secretary

Place: Bengaluru
Date:

Place:
Date:

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GMR POCHANPALLI EXPRESSWAYS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **GMR POCHANPALLI EXPRESSWAYS LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the standalone financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

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

Contd...2

Provision for periodic major maintenance

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

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

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

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

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

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

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

Contd...3

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

Contd...4

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the 'Annexure A', a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account;

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

   e) On the basis of the written representations received from the directors as on March 31, 2026 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B';

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

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h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position to the extent quantifiable in its standalone financial statements – Refer Note Nos. 32 and 33 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note No. 36 to the standalone financial statements;

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

iv. a) Management has represented to us that, to the best of it's knowledge and belief, (other than as disclosed in the notes to the accounts) no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) Management has represented to us that, to the best of it's knowledge and belief, (other than as disclosed in the notes to the accounts) no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

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vi. As stated in Note 1.5 to the financial statements and based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

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

Lalit R Mhalsekar
Partner
Membership Number: 103418

UDIN: 26103418QKSQAJ5880

Place: New Delhi
Date: April 29, 2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

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

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

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

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

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

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

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

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

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

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

iii) Based on our examination of the books of account and other relevant records of the Company, during the year, the Company has granted unsecured loans, carrying interest, to two bodies corporate. Other than the aforesaid loans, the Company has not made any investments or provided any guarantees or security to companies, firms, limited liability partnerships or any other parties during the year.

Contd... 2

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

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

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

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

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

Nature of parties	Aggregate amount of loans granted during the year	Balance outstanding as at balance sheet date in respect of loans granted
Promoters and Holding Companies	Rs.3,510.00 Lakhs	Rs.27,378.48 Lakhs

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

b) In our opinion and based on our examination of the records of the Company, the terms and conditions of the loans granted during the year are, prima facie, not prejudicial to the interests of the Company. Further, the Company has not made any investments or provided any guarantees or security to any parties during the year.

c) In our opinion and based on our examination of the records of the Company, in respect of the loans granted, the schedule of repayment of principal and payment of interest has been stipulated in the respective original and/or renewal agreements. However, in respect of four bodies corporate, the principal amounts due for repayment have not been received on the respective due dates and have been renewed/further extended. The aggregate amount of such principal outstanding is Rs.24,312.01 Lakhs, and the interest accrued thereon at the time of such renewal/extension amounting to Rs.15,516.53 Lakhs remains outstanding for recovery as at the reporting date.

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

e) In our opinion and based on our examination of the records of the Company, in respect of loans granted to bodies corporate, certain loans have been renewed/extended to the same parties during the year. During the year, the company has not granted any fresh loans to settle the overdues of the existing loan given to same parties. The aggregate amount of such loans is Rs. 24,312.01 Lakhs, which represents 87.38% of the total loans granted/renewed during the year. Further, the interest accrued thereon at the time of such renewal/extension amounting to Rs. 15,516.53 Lakhs remains outstanding.

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Name of the party	Aggregate amount of existing loans renewed or extended during the year (Rs. in Lakhs)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
GMR Highways Limited	11,717.92	42.11%
GMR Power and Urban Infra Limited	12,150.56	43.67%
GMR Ambala Chandigarh Expressways Private Limited	266.53	0.96%
Dhruvi Securities Private Limited	177.00	0.64%

f) In our opinion and based on our examination of the records of the Company, the Company has not granted any loans which are repayable on demand or without specifying any terms or period of repayment. Accordingly, the reporting requirement under paragraph 3(iii)(f) of the Order is not applicable to the Company.

iv) In our opinion and based on our examination of the records of the Company, the Company has not granted any loans, made any investments, or provided any guarantees or security to parties covered under Section 185 of the Act during the year. Further, considering that the Company is an infrastructure company, the provisions of Section 186 of the Act are not applicable. Accordingly, the reporting requirement under paragraph 3(iv) of the Order is not applicable to the Company.

v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Further, no orders have been passed by the Company Law Board, National Company Law Tribunal, Reserve Bank of India or any Court or other Tribunal in this regard. Accordingly, the reporting requirement under paragraph 3(v) of the Order is not applicable to the Company.

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

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

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There were no undisputed amounts payable in respect of provident fund, employees' state insurance, goods and service tax, cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable. Refer Note no. 37 of the standalone financial statements on provision for income tax created under Section 115JB of the Income Tax Act, 1961.

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

Nature of Statute	Nature of dues	Years to which it pertains	Amount under dispute	Forum where dispute is pending
Income tax Act, 1961	Disallowance of certain expenses and deductions, non-grant of deduction under section 80IA, section 80G and non-grant of set off of brought forward losses etc.	AY 2020-21	Rs.132.61 Lakhs	CIT (Appeals) Bangalore
Goods and Service Tax Act, 2017	Demand of CGST and SGST on annuity payments received from the NHAI as deferred payments under the Build-Operate-Transfer (BOT) model, classifying works contract services under SACS 9954, and imposing a penalty and interest	Period from September 2017 to September 2022	Rs.7,509.35 Lakhs (including penalty)	Writ before Hon'ble High Court of Telangana

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

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

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

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

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

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e) On overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures hence, requirement of paragraph 3(ix)(e) of the Order is not applicable to the Company.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our review of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) a) The Company does not have any unspent amount in respect of other than ongoing projects, which is required to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to section 135(5) of the said Act.

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

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xxi) The Company is not required to prepare consolidated financial statements in accordance with Section 129(3) of the Act. Accordingly, the reporting requirement under paragraph 3(xxi) of the Order is not applicable to the Company.

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

RMhalseka

Lalit R Mhalsekar
Partner
Membership Number: 103418

UDIN: 26103418QKSQAJ5880

Place: New Delhi
Date: April 29, 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of **GMR POCHANPALLI EXPRESSWAYS LIMITED** ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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Meaning of Internal Financial Controls with reference to standalone financial statements

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

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

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to the standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the criteria for internal control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Mhalsekar

Lalit R Mhalsekar
Partner
Membership Number: 103418

UDIN: 26103418QKSQAJ5880

Place: New Delhi
Date: April 29, 2026

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GMR POCHANPALLI EXPRESSWAYS LIMITED

CIN U45200KA2005PLC049327

BALANCE SHEET AS AT MARCH 31, 2026

Rupees in Lakhs

Particulars	Note	March 31, 2026	March 31, 2025
ASSETS			
Non-current Assets			
Property, plant and equipment	2	48.22	57.48
Other intangible assets	3	3.41	7.07
Right of use Assets	4	361.51	145.22
Financial Assets			
Investments	5	3,280.00	3,280.00
Other financial assets	7	14.71	344.19
Other non-current assets	8	-	7,292.42
Total Non-Current Assets		**3,707.85**	**11,126.38**
Current Assets			
Inventories	9	56.80	81.64
Current Assets			
Cash and cash equivalents	10	4,707.03	3,451.62
Bank balances other than above	11	1,719.61	-
Loans	6	27,822.01	24,404.01
Other financial assets	7	11,899.25	16,798.68
Other current assets	8	4,128.85	1,304.49
Total Current Assets		**50,333.55**	**46,040.44**
TOTAL ASSETS		**54,041.40**	**57,166.82**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	13,800.00	13,800.00
Other equity	13	18,514.99	16,560.22
Total Equity		**32,314.99**	**30,360.22**
LIABILITIES			
Non-current Liabilities			
Financial Liabilities			
Borrowings	14	4,211.62	8,774.34
Lease Liabilities	15	-	63.47
Provisions	16	107.58	6,928.20
Other non-current liabilities	19	-	662.95
Total Non-current Liabilities		**4,319.20**	**16,428.96**
Current Liabilities			
Financial Liabilities			
Borrowings	14	4,969.21	4,835.30
Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	17	72.00	8.05
b) Total outstanding dues of creditors other than (a) above	17	819.57	1,244.63
Lease Liabilities	15	366.74	108.13
Other financial liabilities	18	213.60	423.00
Other current liabilities	19	1,712.72	1,067.57
Provisions	16	8,394.92	1,593.75
Current tax liabilities (net)	20	858.45	1,097.21
Total Current Liabilities		**17,407.21**	**10,377.64**
TOTAL EQUITY AND LIABILITIES		**54,041.40**	**57,166.82**
Material accounting policies	1		

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

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

Lalit R Mhalsekar
Partner
Membership No.: 103418

Date : April 29, 2026
Place : New Delhi

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

Arun Kumar Sharma
Director
DIN: 02281905

Bajrang Lal Gupta
Director
DIN: 07175777

Amit Kumar
Chief Financial Officer
Membership no. 500164
Date : April 29, 2026
Place : New Delhi

Paramjeet Singh
Company Secretary
Membership no. A18789

GMR Pochanpalli Expressways Limited

GMR POCHANPALLI EXPRESSWAYS LIMITED

CIN - U45200KA2005PLC049327

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

Particulars	Note	March 31, 2026	March 31, 2025
		Rupees in Lakhs	
INCOME			
Revenue from operations	21	7,098.91	7,211.62
Other income	22	3,326.56	3,743.69
Total Income		**10,425.47**	**10,955.31**
EXPENSES			
Operating expenses	23	1,827.19	2,804.47
Employee benefits expense	24	980.05	1,031.31
Other expenses	25	1,463.76	1,394.21
Total Expenses		**4,271.00**	**5,229.99**
Earnings before finance cost, tax, depreciation and amortisation expenes (EBITDA)		**6,154.47**	**5,725.32**
Finance costs	26	3,656.27	4,697.58
Depreciation and amortization expense	27	162.23	120.34
Profit before tax		**2,335.97**	**907.40**
Tax Expense:			
Current Tax	20	594.28	767.56
Deferred tax	20	-	-
Income tax for earlier years (net of reversals)	20	(237.52)	(427.91)
		356.76	**339.65**
Profit for the year		**1,979.21**	**567.75**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss in subsequent periods:			
Re-measurement gains (losses) on defined benefit plans		(24.44)	0.74
Income tax effect		-	-
Other comprehensive income/(expenses) for the year, net of tax		**(24.44)**	**0.74**
Total comprehensive income for the year		**1,954.77**	**568.49**
Earnings per equity share: (face value of equity shares of Rs.10 each)			
Basic	28	1.43	0.41
Diluted	28	1.43	0.41
Material accounting policies	1		

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

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

Lalit R Mhalsekar
Partner
Membership No.: 103418

MUMBAI

Date : April 29, 2026
Place : New Delhi

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

Arun Kumar Sharma
Director
DIN: 02281905

Bajrang Lal Gupta
Director
DIN: 07175777

Amit Kumar
Chief Financial Officer
Membership no. 500164

Paramjeet Singh
Company Secretary
Membership no. A18789

Date : April 29, 2026
Place : New Delhi

GMR Pochanpalli Expressways Limited

GMR POCHANPALLI EXPRESSWAYS LIMITED
CIN - U45200KA2005PLC049327

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A. Equity Share Capital

Rupees in Lakhs

Particulars	Note	March 31, 2026	March 31, 2025
Balance at the beginning of the year	12	13,800.00	13,800.00
Changes in equity share capital during the year	12	-	-
Balance at the end of the year	**12**	**13,800.00**	**13,800.00**

B. Other Equity

Rupees in Lakhs

Particulars	Equity component of financial instruments - preference shares	Reserves and surplus		Total [Refer Note No.13]
		Debenture redemption reserve	Retained earnings	
Changes in equity for the year ended March 31, 2025				
Balance as at April 1, 2024	3,620.95	9,259.44	3,111.34	15,991.73
Profit for the year			567.75	567.75
Other comprehensive income				
Re-measurement gains/(loss) on defined benefit plans			0.74	0.74
Balance as at March 31, 2025	**3,620.95**	**9,259.44**	**3,679.83**	**16,560.22**
Changes in equity for the year ended March 31, 2026				
Balance as at April 1, 2025	3,620.95	9,259.44	3,679.83	16,560.22
Profit for the year			1,979.21	1,979.21
Other comprehensive income				
Re-measurement gains/(loss) on defined benefit plans			(24.44)	(24.44)
Balance as at March 31, 2026	**3,620.95**	**9,259.44**	**5,634.60**	**18,514.99**

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

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

Lalit R Mhalsekar
Partner
Membership No.: 103418

Date : April 29, 2026
Place : New Delhi

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

Arun Kumar Sharma
Director
DIN: 02281905

Bajrang Lal Gupta
Director
DIN: 07175777

Amit Kumar
Chief Financial Officer
Membership no. 500164

Paramjeet Singh
Company Secretary
Membership no. A18789

Date : April 29, 2026
Place : New Delhi

GMR Pochanpalli Expressways Limited

MUMBAI

GMR POCHANPALLI EXPRESSWAYS LIMITED

CIN - U45200KA2005PLC049327

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
A CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	**2,335.97**	**907.40**
Adjustments For :		
Depreciation and amortisation	162.23	120.34
Interest and finance charges	3,656.27	4,697.58
Major maintenance expenses	622.33	(1,062.35)
Advances/receivables written off (net)	71.68	-
Reameasurements of defined benefit plans	(24.44)	0.74
Interest income on bank deposit and others	(3,239.89)	(3,656.86)
Reversal of modification loss on Loan to related parties	-	(56.17)
Modification gain on right of use assets	(18.21)	-
Excess provision written back	(28.95)	(5.88)
	3,536.99	944.80
Adjustments for Movement in Working Capital:		
Decrease / (increase) in financial assets	(41.96)	(1,701.06)
Decrease / (increase) in other current/non-current assets	(634.38)	1,587.87
Decrease / (increase) in inventories	24.84	(60.45)
Increase / (decrease) in trade payables	(332.16)	(1,485.30)
Increase / (decrease) in other current/non-current liabilities	1.68	(28.77)
Increase / (decrease) in Provision	(903.96)	(327.53)
Cash From/(used In) Operating activities	1,651.05	(1,070.44)
Tax (paid)/refund	(595.52)	(422.30)
Net Cash From/(used In) Operating activities	**1,055.53**	**(1,492.74)**
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment and intangible assets	(9.78)	(4.90)
Interest Income on loans and bank deposit and others	352.55	1,306.88
Decrease/(increase) in Loan to Related Parties	(3,418.00)	-
Decrease/(increase) in Other Bank Balance	(1,395.00)	(24.61)
Annuity received (net of payments) under service concession agreement	10,553.21	4,379.21
Cash From/(used In) Investing Activities	**6,082.98**	**5,656.58**
C CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of debentures	(4,839.00)	(4,996.00)
Payment of Lease Liability	(160.19)	(112.43)
Interest and finance charges paid	(883.91)	(1,353.29)
Cash From/(used In) Financing Activities	**(5,883.10)**	**(6,461.72)**
D Net Increase / decrease in Cash and Cash Equivalents [A+B+C]	**1,255.41**	**(2,297.88)**
Cash and Cash Equivalents as at beginning of the year	3,451.62	5,749.50
Cash and Cash Equivalents as at end of the year	**4,707.03**	**3,451.62**

Particulars	March 31, 2026	March 31, 2025
Components of Cash and Cash Equivalents:		
Cash in hand	0.42	0.95
Balances with banks		
- Current account	306.61	95.67
- Fixed deposits	4,400.00	3,355.00
Total	**4,707.03**	**3,451.62**

GMR Pochanpalli Expressways Limited

GMR POCHANPALLI EXPRESSWAYS LIMITED
CIN - U45200KA2005PLC049327

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025

Notes :

1 The above statement of cash flows has been prepared under the 'Indirect Method' as set out in the Ind AS-7 on Statement of Cash Flows as referred to in Section 133 of the Companies Act, 2013.

2 Changes in liabilities arising from financing activities

Particulars	Opening Balance	Non-cash / accruals / fair value changes	Cash flows - repayments	Closing Balance
For the year ended March 31, 2026				
Liability portion of preference shares	3,805.13	406.49	-	4,211.62
Long-term external borrowings	9,804.51	3.70	(4,839.00)	4,969.21
Interest accrued on long-term external borrowings	423.00	586.46	(795.86)	213.60
Lease liability	171.60	355.33	(160.19)	366.74
For the year ended March 31, 2025				
Liability portion of preference shares	3,437.88	367.25	-	3,805.13
Long-term external borrowings	14,793.82	6.69	(4,996.00)	9,804.51
Interest accrued on long-term external borrowings	638.84	1,059.03	(1,274.87)	423.00
Lease liability	260.23	23.80	(112.43)	171.60

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

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

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

Lalit R Mhalsekar
Partner
Membership No.: 103418

Date : April 29, 2026
Place : New Delhi

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

Arun Kumar Sharma
Director
DIN: 02281905

Bajrang Lal Gupta
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DIN: 07175777

Amit Kumar
Chief Financial Officer
Membership no. 500164

Paramjeet Singh
Company Secretary
Membership no. A18789

Date : April 29, 2026
Place : New Delhi

GMR Pochanpalli Expressways Limited

1 Company Overview and Material Accounting Policies:

1.1 Company Overview

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

The Company is public limited company incorporated and domiciled in India and has its registered office at 25/1, Skip House, Museum Road, Bangalore, Karnataka - 560025. The Company has principal place of business at Toopran, Andhra Pradesh .
The Company's Holding Company is GMR Highways Limited while ultimate Holding Company is GMR Power & Urban Infra Limited /GMR Enterprises Private Limited.

The financial statements of the Company for the year ended March 31, 2026 were authorised for issue in accordance with a resolution of the Board of Directors on April 29, 2026.

1.2 Material accounting policies

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

Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of Companies Act, 2013 (the 'Act') (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone financial statements are presented in 'IndianRupees' (INR) which is also the Company's functional currency and all values are disclosed to the nearest March 31, 2026 with two decimals (INR 00,000.00), except when otherwise indicated.

Summary of material accounting policies

a) **Use of estimates**

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

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

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

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

An asset has been classified as current if

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

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

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

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

A liability has been classified as current when

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

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

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

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

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

GMR Pochanpalli Expressways Limited

1 Company Overview and Material Accounting Policies:

c) **Fair value measurement**

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

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

i) In the principal market for the asset or liability, or

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

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

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

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

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

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

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

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

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

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

d) **Revenue Recognition**

Revenue from operations:

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

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

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

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

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

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

GMR Pochanpalli Expressways Limited

1 Company Overview and Material Accounting Policies:

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

Finance income and other income:

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

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

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

e) **Property, Plant & Equipment**

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

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:
(a) it is probable that future economic benefits associated with the item will flow to the entity; and
(b) the cost of the item can be measured reliably.

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

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

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

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

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

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

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

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

Plant and equipment	4-15 years
Office equipment and electrical fittings	5 years
Furniture and fixtures	10 years
Vehicles	8-10 years
Computers	3 years
Servers and Networks	6 years

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

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

GMR Pochanpalli Expressways Limited

1 Company Overview and Material Accounting Policies:

f) Intangible assets

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

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

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

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

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

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

h) Taxes

Tax expense comprises current and deferred tax.

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

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

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

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

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

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

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

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

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

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

i) Borrowing costs

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

j) Inventories

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

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

1 Company Overview and Material Accounting Policies:

k) Leases

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

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

The Company is the lessee

Right-of-use assets

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

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

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

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

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

The Company is the lessor

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

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

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

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

l) Impairment

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

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

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

GMR Pochanpalli Expressways Limited

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

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

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

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

Contingent Liabilities

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

Provisions

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

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

n) **Retirement and other Employee Benefits**

Short term employee benefits and defined contribution plans.

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

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

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

Compensated absences

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

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

Defined benefit plans

Gratuity

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

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

MUMBAI

GMR Pochanpalli Expressways Limited

1 Company Overview and Material Accounting Policies:

Remeasurements

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

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

> The date of the plan amendment or curtailment, and

> The date that the Group recognises related restructuring costs

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

o) **Financial Instruments**

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

i) Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

Debt instruments at amortised cost

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

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

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

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

Derecognition

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

> The rights to receive cash flows from the asset have expired, or

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

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

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

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

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

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

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

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

GMR Pochanpalli Expressways Limited

1 Company Overview and Material Accounting Policies:

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

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

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

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

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

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

ii) Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

Loans and borrowings

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

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

This category generally applies to borrowings and security deposits received.

Derecognition

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

Offsetting of financial instruments

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

Derivative financial instruments

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

Embedded Derivative financial instruments

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

p) **Cash and cash equivalents**

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

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

GMR Pochanpalli Expressways Limited

1 Company Overview and Material Accounting Policies:

q) Foreign currencies

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

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

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

r) Earnings per share

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

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

s) Corporate Social Responsibility Expenditure

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

t) Non-current assets held for sale/ disposal

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

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

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

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

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

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

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

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

1.3 Key accounting judgements, estimates and assumptions

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

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

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

i) Critical Accounting Estimates and Assumptions :

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

a) Income tax

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

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1 Company Overview and Material Accounting Policies:

b) Fair value measurement of financial instruments

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

c) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events. [Refer note no.32]

d) Defined benefit plans (gratuity benefits)

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

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

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

ii) Significant judgements :

a) Settlement of Claims under Service Concession Arrangement

The preparation of the financial statements requires the Company to exercise significant judgement in respect of the accounting treatment of the settlement entered into with NHAI during the year. In particular, judgement has been applied in determining the appropriate classification of amounts received towards release of withheld annuity and arbitration-related claims as adjustment to financial assets under the Service Concession Arrangement in accordance with Appendix D to Ind AS 115 'Service Concession Arrangements', rather than as revenue. Further, the Company has assessed that interest received on delayed payment of such claims represents compensation for the time value of money and is therefore recognised as finance income using the effective interest rate principles under Ind AS 109. Additionally, reimbursement of litigation costs has been recognised as other income as it does not form part of consideration for services under Ind AS 115. The Company has also evaluated the terms of the settlement agreement, including finality of claims and withdrawal of litigations, in concluding that no further provisions or contingent liabilities are required as at the reporting date. Further details are given in note no.31

b) Provision for periodic maintenance (overlay activities)

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

c) Expected Credit Loss on Loans:

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

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

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (Amendment to Ind AS 1):

The Ministry of Corporate Affairs (MCA), vide notification dated August 13, 2025, has amended Ind AS 1 – Presentation of Financial Statements, including paragraph 74, with respect to classification of liabilities and disclosures for non-current liabilities with covenants, effective for annual periods beginning on or after April 01, 2026, with retrospective application in accordance with Ind AS 8. The amendments clarify that classification is based on rights existing at the reporting date and require a liability to be classified as current where a covenant breach occurs on or before that date, making it payable on demand, as the entity does not have the right to defer settlement for at least twelve months, even if a waiver is obtained after the reporting period but before approval of the financial statements. The amendments also require enhanced disclosures for such liabilities. This amendment is not expected to have a material impact on the Standalone Financial Statements of the Company.

1.5 Audit Trail

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

The Company has used an accounting software for maintaining its books of account which has a feature of audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. The audit trail has been preserved by the Company as per the statutory requirements for record retention.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

2 Property, plant and equipment

Rupees in Lakhs

Particulars	Plant and machinery	Electrical Fittings	Computers	Office Equipments	Vehicles	Furniture and Fixtures	Total
Gross block							
As at April 01, 2024	77.31	-	27.61	11.50	49.75	6.93	173.10
Additions	-	-	4.84	-	-	0.06	4.90
Disposals / Adjustments	-	-	-	(0.62)	-	-	(0.62)
As at March 31, 2025	**77.31**	**-**	**32.45**	**10.88**	**49.75**	**6.99**	**177.38**
Additions	-	5.33	4.45	-	-	-	9.78
Disposals / Adjustments	-	-	-	-	-	-	-
As at March 31, 2026	**77.31**	**5.33**	**36.90**	**10.88**	**49.75**	**6.99**	**187.16**
Depreciation							
As at April 01, 2024	59.56	-	6.22	7.74	21.89	5.14	100.55
Charge for the year	5.89	-	6.45	1.20	5.78	0.65	19.97
Disposals / Adjustments	-	-	-	(0.62)	-	-	(0.62)
As at March 31, 2025	**65.45**	**-**	**12.67**	**8.32**	**27.67**	**5.79**	**119.90**
Charge for the year	5.89	0.06	6.99	0.97	4.72	0.41	19.04
Disposals / Adjustments	-	-	-	-	-	-	-
As at March 31, 2026	**71.34**	**0.06**	**19.66**	**9.29**	**32.39**	**6.20**	**138.94**
Net block							
As at March 31, 2025	11.86	-	19.78	2.56	22.08	1.20	57.48
As at March 31, 2026	**5.97**	**5.27**	**17.24**	**1.59**	**17.36**	**0.79**	**48.22**

Notes:

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

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

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

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

3 Other Intangible Assets

Rupees in Lakhs

Particulars	Software	Total
Gross block		
As at April 01, 2024	17.33	17.33
Additions	-	-
Disposals / Adjustments	-	-
As at March 31, 2025	**17.33**	**17.33**
Additions	-	-
Disposals / Adjustments	-	-
As at March 31, 2026	**17.33**	**17.33**
Depreciation		
As at April 01, 2024	6.61	6.61
Charge for the year	3.65	3.65
Disposals / Adjustments	-	-
As at March 31, 2025	10.26	10.26
Charge for the year	3.66	3.66
Disposals / Adjustments	-	-
As at March 31, 2026	13.92	13.92
Net block		
As at March 31, 2025	7.07	7.07
As at March 31, 2026	3.41	3.41

Notes:

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

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

4 Right of use Assets

Rupees in Lakhs

Particulars	Leashold Buildings	Total
Gross block		
As at April 01, 2024	314.81	314.81
Additions	-	-
Disposals / Adjustments	-	-
As at March 31, 2025	314.81	314.81
Additions	419.95	419.95
Disposals / Adjustments	(314.81)	(314.81)
As at March 31, 2026	419.95	419.95
Depreciation		
As at April 01, 2024	72.87	72.87
Charge for the year	96.72	96.72
Disposals / Adjustments	-	-
As at March 31, 2025	169.59	169.59
Charge for the year	139.54	139.54
Disposals / Adjustments	(250.69)	(250.69)
As at March 31, 2026	58.44	58.44
Net block		
As at March 31, 2025	145.22	145.22
As at March 31, 2026	361.51	361.51

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

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

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GMR Pochanpalli Expressways Limited

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

5 Investments

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Non Current Investments		
Non Trade investments		
Investments in associates (Unquoted, valued at cost)		
Unsecured Compulsorily Convertible Debentures:		
GMR SEZ & Port Holdings Limited	3,280.00	3,280.00
328 (March 31, 2025: 328) 0.01% Compulsorily convertible debentures of Rs.10,00,000 each [Refer note.34]		
Total	**3,280.00**	**3,280.00**
Aggregate amount of unquoted investments	3,280.00	3,280.00

6 Loans

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Current:		
Carried at amortised cost		
Loan Receivables – considered good - secured	-	-
Loan Receivables – considered good - unsecured		
Loans and advances to :		
Related parties [Refer note no. and note (a) below]	27,822.01	24,404.01
Loan Receivables which have significant increase in credit risk [Refer note no. (b) below]	-	-
Loan Receivables – credit impaired [Refer note no. (c) below]	-	-
Total	**27,822.01**	**24,404.01**

Notes:

a) Details of loan given to related parties:

(i) An unsecured loan of Rs.12,427.92 Lakhs (March 31, 2025 : Rs.11,809.92 Lakhs) given to GMR Highways Limited (including loan given to GMR Tambaram Tindivanam Expressways Limited and GMR Tuni Anakapalli Expressways Limited merged w.e.f August 11, 2022 with GMR Highways Limited as per the NCLT, Mumbai Bench-IV, CP(CAA)/207/MB/2021 in CA(CAA)/11/(MB)/2021 Merger order dated 03.08.2022) shall be repayable within 1 year from date of renewed agreement.

(ii) An unsecured loan of Rs.14,950.56 Lakhs (March 31, 2025 : Rs.12,150.56 Lakhs) given to GMR Power and Urban Infra Limited (earlier GMR Infrastructure Ltd) shall be repayable within 1 year from date of renewed agreement.

(iii) An unsecured loan of Rs.177.00 Lakhs (March 31, 2025 : Rs.177.00 Lakhs) given to Dhruvi Securities Limited shall be repayable within 1 year in terms of renewed agreement.

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

(v) An unsecured loan of Rs.266.53 Lakhs (March 31, 2025 : 266.53 Lakhs) given to GMR Ambala Chandigarh Expressways Private Limited shall be repayable within 1 year from date of renewed agreement.

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

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

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

d) There are no Loans or Advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are (a) repayable on demand or (b) without specifying any terms or period of repayment.

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

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

7 Other financial assets

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Non-current:		
Carried at amortised cost		
Unsecured, considered good		
Fixed deposits with banks *	-	324.61
Interest accrued on CCDs to related parties	0.38	0.08
Interest accrued on deposits with banks	-	2.32
Security deposits		
with others	0.11	0.11
Deposit with government departments and exchanges **	14.22	17.07
Total	**14.71**	**344.19**
Current:		
Carried at amortised cost		
Unsecured, considered good		
Receivable under service concession arrangements	-	797.95
Receivable towards change of scope work and claims receivable	42.44	433.32
Recovery Expense Fund (REF) with stock exchange **	2.85	-
Annuity amount retained by NHAI ***	958.99	958.99
Interest accrued on loan to related parties (net of modification loss) [Refer note no.41]	10,431.53	9,716.99
Interest accrued on deposits with banks	29.86	1.80
Insurance claims receivable	433.58	0.74
Annuity amount withheld by NHAI/penalty under protest [Refer note no.31] ****	-	4,888.89
Amount receivable towards sale of CCD's (net)@	-	2,273.00
	11,899.25	**19,071.68**
Less: Provision for doubtful non-trade receivables @	-	(2,273.00)
Total	**11,899.25**	**16,798.68**
Total	**11,913.96**	**17,142.87**

* - Includes margin deposit of Rs.Nil [March 31, 2025 : Rs.324.61 Lakhs] kept against bank guarantee.

** - Includes Rs.2.85 Lakhs towards the Recovery Expense Fund (REF) with National Stock Exchange of India Ltd (March 31, 2025: Rs.2.85 Lakhs). The same has been classified as Other Current Financial Assets during the year, considering that the last instalment of NCD is due for repayment in October 2026.

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

**** - Includes Rs.2,264.90 Lakhs pertaining to annuity income that was inadvertently withheld by NHAI in March 2025 and subsequently received in April 2025. The remaining balance of Rs.2,623.99 Lakhs has been received during March 2026 in accordance with the NHAI Settlement Agreement dated February 19, 2026.

@ - The Company has written off the receivable arising from the sale of its investment in Compulsorily Convertible Debentures (CCDs) of Kakinada SEZ Ltd (KSEZ). The transaction was undertaken pursuant to a Debenture Purchase Agreement (DPA) dated March 31, 2021, entered into with Aurobindo Realty & Infrastructure Pvt Ltd (ARIPL) and Kakinada SEZ Ltd (KSEZ). The recovery of this amount was contingent upon the achievement of specified milestones, which have not been met to date. Accordingly, based on the approval of the Board of Directors, the receivable has been written off.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

8 Other assets

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Non-current:		
Unsecured, considered good		
Deferred Contract assets under service concession arrangements [Refer note (a) below]	-	7,292.42
Total	-	7,292.42
Current:		
Unsecured, considered good		
Deferred Contract assets under service concession arrangements (net) [Refer note (a) below]	2,876.58	614.93
Advances other than capital advances		
Advance to suppliers of goods/services		
to related parties [Refer note no.41]	651.81	95.43
to others	77.44	126.63
Advance to employees for expenses	0.01	0.99
Prepaid expenses	19.76	19.97
Balances with government departments - Prepaid indirect taxes	503.25	446.54
Total	4,128.85	1,304.49
Total	4,128.85	8,596.91

Notes

a) Contract assets are initially recognized as revenue arising from service concession arrangements (SCA), where such revenue is recognized over time, reflecting the transfer of services. The receipt of consideration is contingent upon the satisfactory completion of specified performance obligations, including periodic maintenance services under the arrangements. Upon fulfillment of these performance obligations, the accumulated contract assets are reclassified as receivables under service concession arrangements. Deferred contract assets are presented net of annuity payments received up to March 31, 2026 in relation to such arrangements. Given the scheduled handover of the project highway to the National Highways Authority of India (NHAI) in September 2026, the deferred contract asset is classified under other current assets in the balance sheet as at the reporting date.

9 Inventories

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Stores and spares [Refer note (b) below]	56.80	81.64
Total	56.80	81.64

Notes:

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

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

10 Cash and cash equivalents

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Cash in hand	0.42	0.95
Balances with banks		
- Current account	306.61	95.67
- Fixed deposits	4,400.00	3,355.00
Total	4,707.03	3,451.62

Note:

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

b) Fixed Deposit includes Rs.2,950.00 Lakhs (March 31, 2025 : Rs.3,355.00 Lakhs earmarked for remittance of NCD redemption & interest on NCD due after the balance sheet date.

11 Other bank balances

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Fixed deposit with banks	1,719.61	-
Total	1,719.61	-

Note:

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

b) Includes margin deposit of Rs.324.61 Lakhs [March 31, 2025 : Rs.Nil Lakhs] kept against bank guarantee.

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

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

12 Equity share capital

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Authorised		
13,81,00,000 (March 31, 2025 : 13,81,00,000 equity shares of Rs.10 each)	13,810.00	13,810.00
45,90,000 (March 31, 2025 : 45,90,000 preference shares of Rs.100 each)	4,590.00	4,590.00
	18,400.00	18,400.00
Issued, subscribed and fully paid-up		
13,80,00,000 (March 31, 2025 : 13,80,00,000 equity shares of Rs.10 each)	13,800.00	13,800.00
Total	**13,800.00**	**13,800.00**

Notes:

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

	March 31, 2026		March 31, 2025	
	Numbers	Rupees in Lakhs	Numbers	Rupees in Lakhs
Equity shares of Rs. 10 each				
Balance at the beginning of the year	13,80,00,000	13,800.00	13,80,00,000	13,800.00
Shares issued during the year	-	-	-	-
Balance at the end of the year	13,80,00,000	13,800.00	13,80,00,000	13,800.00
Preference shares of Rs. 100 each*				
Balance at the beginning of the year	44,50,000	4,450.00	44,50,000	4,450.00
Shares issued during the year	-	-	-	-
Balance at the end of the year	44,50,000	4,450.00	44,50,000	4,450.00

*- equity component of preference shares of Rs.3,620.95 Lakhs (March 31, 2025: Rs.3,620.95 Lakhs) is classified under Other Equity (refer note no.13) and liability portion of preference shares is classified as Long term Borrowings (refer note no.14).

b) Terms to Equity Shares

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

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

c) Terms to Preference Shares

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

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

Name of Shareholder	Numbers	% of holding
Equity shares of Rs. 10 each		
March 31, 2026		
GMR Highways Limited (including nominees), the immediate holding Company	13,59,30,000	98.50%
March 31, 2025		
GMR Highways Limited (including nominees), the immediate holding Company	13,59,30,000	98.50%
Preference shares of Rs.100 each		
March 31, 2026		
GMR Power and Urban Infra Limited, the ultimate holding Company	44,50,000	100.00%
March 31, 2025		
GMR Power and Urban Infra Limited, the ultimate holding Company	44,50,000	100.00%

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

Name of Shareholder	Numbers	Rupees in Lakhs
Equity shares of Rs. 10 each		
March 31, 2026		
GMR Highways Limited (including nominees), the immediate holding Company	13,59,30,000	13,593.00
GMR Power and Urban Infra Limited, the ultimate holding Company	13,80,000	138.00
GMR Energy Limited, a subsidiary of GPUIL and fellow subsidiary	6,90,000	69.00
March 31, 2025		
GMR Highways Limited (including nominees), the immediate holding Company	13,59,30,000	13,593.00
GMR Power and Urban Infra Limited, the ultimate holding Company	13,80,000	138.00
GMR Energy Limited, a subsidiary of GPUIL and fellow subsidiary	6,90,000	69.00
Preference shares of Rs.100 each		
March 31, 2026		
GMR Power and Urban Infra Limited, the ultimate holding Company	44,50,000	4,450.00
March 31, 2025		
GMR Power and Urban Infra Limited, the ultimate holding Company	44,50,000	4,450.00

f) Shareholding of promoters

Name of the promoter	No. of Shares as at March 31, 2025	Change during the year	No. of Shares as at March 31, 2026	% of total shares	% change during the year
Fully paid up equity shares of INR 10 each					
GMR Power and Urban Infra Limited	13,80,000	-	13,80,000	1.00%	0.00%
GMR Energy Limited	6,90,000	-	6,90,000	0.50%	0.00%
GMR Highways Limited	13,59,29,996	-	13,59,29,996	98.50%	0.00%
GMR Business Process and Services Pvt. Ltd. representing and for the benefit of GMR Highways Ltd.	1	-	1	0.00%	0.00%
Dhruvi Securities Ltd. representing and for the benefit of GMR Highways Ltd.	1	-	1	0.00%	0.00%
GMR Aerostructure Services Limited representing and for the benefit of GMR Highways Ltd.	1	-	1	0.00%	0.00%
GMR Corporate Affairs Pvt. Ltd. representing and for the benefit of GMR Highways Ltd.	1	-	1	0.00%	0.00%
Preference shares of Rs.100 each					
GMR Power and Urban Infra Limited	44,50,000	-	44,50,000	100.00%	0.00%

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

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

GMR Pochanpalli Expressways Limited

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

13 Other equity

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Equity component of Preference shares		
Opening balance	3,620.95	3,620.95
Add: Adjustment for the year	-	-
Closing balance	3,620.95	3,620.95
Debenture Redemption Reserve		
Opening balance	9,259.44	9,259.44
Add: Transferred from the statement of profit and loss [refer note (a) below]	-	-
Closing balance	9,259.44	9,259.44
Surplus in the statement of Profit and Loss	-	-
Opening balance	3,663.79	3,096.04
Add: Profit for the year	1,979.21	567.75
Less: Transferred to Debenture redemption reserve during the year [refer note (a) below]	-	-
Closing balance	5,643.00	3,663.79
Other comprehensive income		
Opening balance	16.04	15.30
Remeasurements gains/(loss) on defined benefit plans, net of tax effect	(24.44)	0.74
Closing balance	(8.40)	16.04
Total	**18,514.99**	**16,560.22**

Nature and purpose of reserve:

a) Debenture Redemption Reserve:

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

b) Retained Earnings

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

c) Equity component of Preference shares

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

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

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

14 Borrowings

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Long-term borrowings:		
Secured, at amortized cost		
Non-convertible debenture [Refer note (a) below]	-	4,969.21
Unsecured, at amortized cost		
Liability component of compound financial instruments		
Non-cumulative non-convertible preference shares issued to the ultimate holding company [Refer Note (b) below]	4,211.62	3,805.13
Total	**4,211.62**	**8,774.34**
Short-term borrowings:		
Secured, at amortized cost		
Current maturities of Non-convertible debenture [Refer note (a) below]	4,969.21	4,835.30
Total	**4,969.21**	**4,835.30**
Total	**9,180.83**	**13,609.64**

Notes:

a) Secured non-convertible debenture:

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

i) Terms of Security

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

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

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

b) Non-cumulative non-convertible Preference shares:

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

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

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Opening balance	4,450.00	4,450.00
Add: Issued during the year	-	-
Closing balance	4,450.00	4,450.00
Less: Equity component transferred to Other Equity	3,620.95	3,620.95
Financial liability portion of preference shares	829.05	829.05
Add: Notional Interest recognized up to date	3,382.57	2,976.08
Liability portion of non convertible preference shares	**4,211.62**	**3,805.13**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

15 Lease Liabilities

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

The following is the break-up of current and non-current lease liabilities as at March 31, 2026 and March 31, 2025:

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Non-current lease liabilities	-	63.47
Current lease liabilities	366.74	108.13
Total	**366.74**	**171.60**

The movement in lease liabilities during the year ended March 31, 2026 and March 31, 2025 is as follows:

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Opening balance	171.60	260.23
Additions	419.95	-
Interest on lease liability	17.73	23.79
Modification gain on right of use assets	(18.21)	-
Derecognition of right of use assets and lease liability	(64.14)	-
Payment of lease laibilities	(160.19)	(112.42)
Closing balance	**366.74**	**171.60**

Details regarding the contractual maturities of lease liabilities as at March 31, 2026 and March 31, 2025 on an undiscounted basis is as follows:

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Repayable on demand/due	-	-
Less than one year	383.68	120.86
One to five years	-	64.96
More than five years	-	-
Total	**383.68**	**185.82**

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

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

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Amortisation on right to use asset	139.54	96.72
Interest on lease liability	17.73	23.79
Expenses related to short term/low value lease (included under other expenses)	3.49	3.92
Modification gain on right of use assets	(18.21)	-
Total	**142.55**	**124.43**

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

16 Provisions

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Non-current:		
Provision for gratuity (Refer note no.40(b))	107.58	37.26
Provision for periodic maintenance	-	6,890.94
Total	**107.58**	**6,928.20**
Current:		
Provision for variable performance pay	64.35	75.72
Provision for superannuation	1.54	1.79
Provision for leave encashment	129.37	140.24
Provision for periodic maintenance	8,199.66	1,376.00
Total	**8,394.92**	**1,593.75**
Total	**8,502.50**	**8,521.95**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Note:

a) Provision for periodic maintenance (overlay activities)

The Company has a contractual obligation to maintain, replace, or restore infrastructure, excluding any enhancement elements. The cost of such obligations is measured at the best estimate of the expenditure required to settle the obligation as at the balance sheet date. In respect of periodic maintenance to be performed over the remaining concession period, the Company has applied a straight-line basis to the revised estimated total project cost to complete. Accordingly, a provision has been recognized at the present value of the projected straight-lined costs. Given the scheduled handover of the project highway to the National Highways Authority of India (NHAI) in September 2026, the provision for periodic maintenance is classified as a current provision in the balance sheet as at the reporting date.

b) Movement of provision for periodic maintenance

Rupees in Lakhs

Particulars	March 31, 2026		March 31, 2025	
	Non-current	Current	Non-current	Current
Opening Balance	6,890.94	1,376.00	8,064.89	3,052.18
Accretion during the year	-	884.51	443.59	281.20
Transferred from non-current to current	(6,890.94)	6,890.94	-	-
Excess provision reversed during the year	-	-	(1,617.54)	-
Utilised during the year	-	(951.79)	-	(1,957.38)
Closing Balance	-	**8,199.66**	**6,890.94**	**1,376.00**

17 Trade payables

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Current:		
Carried at amortised cost:		
Dues of micro enterprises and small enterprises [Refer Notes (a) below]	72.00	8.05
Dues of creditors otherthan micro enterprises and small enterprises		
Payable to related parties [Refer note no.41 below]	175.10	909.86
Dues to others	644.47	334.77
Total	**891.57**	**1,252.68**

Notes:

a) Details of dues of micro enterprises and small enterprises

Dues to related parties [Refer note no.41]	10.16	-
Dues to others	61.84	8.05
Total	**72.00**	**8.05**

b) Trade payables ageing analysis

Trade payable ageing as at March 31, 2026 Rupees in Lakhs

Particulars	Amount not Due	Outstanding for following periods from due date of payment				
		< 1 year	1-2 years	2-3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises [MSME]	27.72	39.32	0.59	0.80	3.57	72.00
Total outstanding dues of creditors other than MSME	493.77	325.80	-	-	-	819.57
Disputed dues of MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
Total	**521.49**	**365.12**	**0.59**	**0.80**	**3.57**	**891.57**

Trade payable ageing as at March 31, 2025 Rupees in Lakhs

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

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

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
The principal amount due thereon remaining unpaid to any supplier as at the end of each accounting year	72.00	8.05
The interest amount due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
The amount of interest paid by the buyer under MSMED Act, 2006	-	-
Amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-
The amount of interest accrued but not accounted and remaining unpaid at the end of accounting year; and	6.73	6.73
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

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

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

f) Terms and conditions of the above financial liabilities:
Trade payables are non-interest bearing and are normally settled on 60 days terms.

18 Other financial liabilities

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Current		
Other financial current liabilities at amortized cost		
Interest accrued but not due on debt	213.60	423.00
Total	**213.60**	**423.00**

19 Other liabilities

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Non-current:		
Deferred contract revenue under service concession arrangement [Refer note (a) below]	-	662.95
Total	**-**	**662.95**
Current:		
Deferred contract revenue under service concession arrangement [Refer note (a) below]	699.37	55.90
Statutory dues	1,013.35	1,011.67
Total	**1,712.72**	**1,067.57**
Total	**1,712.72**	**1,730.52**

Notes:

a) Deferred contract revenue represents amount received from customer as per the half yearly annuity stipulated under the service concession arrangements to recognise revenue once the periodic maintenance services is completed and performance obligations are achieved.

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20 Income Tax

The major components of income tax expense

20.01 Income tax expense in the statement of profit and loss comprises for the year:

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Profit or loss section		
Current Tax	594.28	767.56
Deferred Tax [Refer note no.20.04 below]	-	-
Income tax for earlier years[Refer note no.37 below]	(237.52)	(427.91)
Tax expense / (credit) to Statement of Profit and Loss	**356.76**	**339.65**
Other comprehensive income section (OCI)		
Deferred tax related to items recognised in OCI during in the year:		
Re-measurement gains (losses) on defined benefit plans	-	-
Tax expense / (credit) to Other Comprehensive Income	-	-
Tax expense / (credit) to Total Comprehensive Income	**356.76**	**339.65**

20.02 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year:

Rupees in Lakhs

Particulars		March 31, 2026	March 31, 2025
Profit before tax	(PBT)	2,335.97	907.40
Applicable tax rate		29.12%	29.12%
Tax effect of income / (loss)	(a)	680.23	264.23
Adjustments:			
Tax effect on non-taxable income		(7.13)	-
Tax effect on non-deductible expenses		787.79	(0.06)
Deduction under section 80IA [Refer note no.20.04(a) below]		(1,359.74)	(1,238.20)
	(b)	(579.08)	(1,238.26)
	(c)=(a+b)	101.15	(974.03)
Deferred tax asset /(liability) is not recognised as the same will be reversed during section 80IA period [Refer note no.20.04 below]	(d)	493.13	1,741.59
Tax expense/(credit) for the year	(e)=(c+d)	**594.28**	**767.56**
Income tax for earlier years[Refer note no.37 below]	(f)	(237.52)	(427.91)
Tax expense / (credit) to Statement of Profit and Loss	(g)=(e-f)	**356.76**	**339.65**
Effective tax rate for the year	(h)=(e)/PBT	**25.44%**	**84.59%**

Note: Current income tax liability for the year is more than the profit before tax, due to Ind AS adjustment for fair valuation of financial assets and amortisation of financial liabilities which is not allowable under Income tax Act, 1961 [Refer note no.20.04 below for non-recognition of deferred tax]

20.03 Provision for Income tax / Non-current tax assets

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Net current income tax asset/ (liability) at the beginning	1,097.21	1,179.86
Current tax payable for the year	594.28	767.56
Income tax for earlier years[Refer note no.37 below]	(237.52)	(427.91)
Current taxes (paid)/refund (net)	(595.52)	(422.30)
Net current income tax asset/ (liability) at the end *	**858.45**	**1,097.21**
* - refer note no.37		
The details of income tax assets and income tax liabilities		
Provision for income tax (net)	858.45	1,097.21
Income tax assets (net)	-	-
Net current income tax asset/ (liability) at the end	**858.45**	**1,097.21**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

20.04 Major components of deferred tax assets and liabilities

Rupees in Lakhs

Particulars	As at April 01, 2024	For the year ended March 31, 2025	As at March 31, 2025	For the year ended March 31, 2026	As at March 31, 2026
Deferred tax liability					
Service concession assets	2,343.80	(1,336.80)	1,007.00	(808.52)	198.48
Right of use assets	70.45	(28.16)	42.29	62.98	105.27
Borrowings	3.26	(1.95)	1.31	(1.08)	0.23
Equity Component of preference shares	1,054.42	-	1,054.42	-	1,054.42
Total	**3,471.93**	**(1,366.91)**	**2,105.02**	**(746.62)**	**1,358.40**
Deferred tax asset					
Property, plant and equipments	13.79	1.18	14.97	(1.60)	13.37
Right of use lease liability	75.78	(25.81)	49.97	56.82	106.79
Liability portion of preference shares	759.69	106.94	866.63	118.37	985.00
Interest accrued on Loan to related Parties	908.09	317.12	1,225.21	301.61	1,526.82
Fair value of investments / receivables through profit or loss	784.92	-	784.92	(784.92)	-
Provision for major maintenance	1,905.94	(7.35)	1,898.59	39.17	1,937.76
Provision for leave encashment	40.13	0.71	40.84	(3.17)	37.67
Provision for gratuity	7.09	3.76	10.85	20.48	31.33
Provision for bonus	25.15	(21.87)	3.28	(0.25)	3.03
Total	**4,520.58**	**374.68**	**4,895.26**	**(253.49)**	**4,641.77**
Net deferred tax (assets) / liability	**(1,048.65)**	**(1,741.59)**	**(2,790.24)**	**(493.13)**	**(3,283.37)**
Deferred tax asset/(liability) not recognised [Refer note (a) below]	1,048.65	1,741.59	2,790.24	493.13	3,283.37
Net deferred tax (assets) / liability	-	-	-	-	-

Note:

a) The Company, being Infrastructure Company, enjoys the benefit of tax holiday period for 10 years out of first 20 years of operations. In initial years of operations, the Company has incurred losses and hence had not claimed the benefit of tax holiday period. The Management expects that all deferred tax liabilities originated as on balance sheet date pertains basically to infrastructure undertaking which is covered under section 80IA of the Income tax Act, 1961. As per the management projections these differences which are originated are getting reversed within the Section 80IA tax holiday period and resulting in insignificant deferred tax asset as at the end of the Section 80IA tax holiday period which incidentally is also the end of the project period. Accordingly, the company has not recognised the resulting deferred tax liability/asset that is expected to reverse during the tax holiday period.

20.05 The unused business loss and allowances is allowable in future period against taxable profit Rs. Nil

20.06 The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

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21 Revenue from operations

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Operations and maintenance income	4,701.57	5,728.39
Finance income:		
Finance income on financial assets	799.57	1,483.23
Interest on delayed payments from NHAI [refer note no.31] *	1,597.77	-
Total	**7,098.91**	**7,211.62**

* - Interest on delayed payment of claims received in accordance with the Settlement Agreement with the National Highways Authority of India (NHAI).

Notes:

a) Effective April 1, 2018, the Company adopted Ind AS 115 " Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

In the Service Concession agreement the Company has applied the guidance in Ind AS 115, by applying the revenue recognition criteria for each distinct performance obligation. The arrangement with the grantor generally meets the criteria for considering regular maintenance and periodic maintenance services as two distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of the contract at its relative standalone price using the expected cost plus margin approach. For periodical maintenance (overlays) and related services, the performance obligations are satisfied only when the services are rendered since the customer generally obtains the control of the work as it progresses though the company accounts for the provision for periodic maintenance as a best estimate is recognised and measured over the period of time in terms of Ind AS 37.

b) Disaggregate revenue information for the year ended March 31, 2026 and March 31, 2025

The Company has presented disaggregated revenue from contracts with customers (under service concession arrangements) for the year ended March 31, 2026 by offerings and is of the opinion that, this disaggregation best depicts the nature, amount, timing of revenues and cash flows that are affected by the industry markets and other economic factors.

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Revenue by offering		
Operations and maintenance	4,701.57	5,728.39
Financial asset	799.57	1,483.23
Total	**5,501.14**	**7,211.62**

The Company has not identified any disaggregated revenues based on contract types.

c) Performance obligations:

Revenue from periodic maintenance (overlay) are recognised as per the service concession arrangements.

The performance obligations represent the aggregate amount of the transaction price allocated to obligations that remain unsatisfied, or partially unsatisfied, as at the end of the reporting period. The Company has applied the practical expedient under Ind AS 115 with respect to periodic maintenance services forming part of a concession arrangement, where the original expected duration exceeds one year. As at March 31, 2026, the aggregate transaction price allocated to unsatisfied performance obligations amounts to Rs.7,693.05 Lakhs. The Company expects to recognize the corresponding revenue upon completion of the underlying performance obligations, in accordance with the terms of the settlement agreement [refer note no.31]..

Assets and liabilities under service concession arrangements on which performance obligation is not satisfied are classified as contract assets and contract liabilities respectively. Refer note nos.8 and 19 above.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

22 Other income

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Interest Income on Bank Deposit and others	68.02	77.58
Interest on loan to related parties	3,171.54	3,579.19
Interest on compulsorily convertible debentures	0.33	0.09
Interest on Income Tax Refund	9.48	18.94
Reversal of modification loss on Loan to related parties	-	56.17
Modification gain on right of use assets	18.21	-
Excess provision written back	28.95	5.88
Scrap Sale	-	5.84
Other non-operating income (including claims received from NHAI) [refer note no.31]	30.03	-
Total	**3,326.56**	**3,743.69**

23 Operating expenses

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Sub-contracting expenses	1,827.19	2,804.47
Total	**1,827.19**	**2,804.47**
Details of sub-contracting expenses		
Highway maintenance expenses	784.55	761.64
Toll/Highway management services	90.85	85.45
Periodic maintenance expenses	951.79	1,957.38
Concession fee [Re.1, (March 31, 2025 : Re.1)]	-	-
Total	**1,827.19**	**2,804.47**

24 Employee benefit expenses

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Salaries, perquisites & allowance	856.91	932.30
Contribution to provident and other funds	60.70	58.88
Gratuity expense	53.16	34.42
Staff welfare expenses	9.28	5.71
Total	**980.05**	**1,031.31**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

25 Other expenses

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Consumption of Stores and Spares	48.08	70.84
Utility Expenses (including Electricity charges)	78.78	97.09
Rent	3.49	3.92
License fee and Trademark fee	21.30	21.63
Rates and taxes	531.31	616.55
Insurance	103.65	95.64
Repairs and maintenance		
- Plant and Machinery	0.48	-
- Others	91.77	72.65
Safety expense	0.20	0.09
Vehicle running expense	42.40	29.77
Travelling and conveyance	35.61	40.38
Communication costs	6.78	7.84
Printing and stationery	0.68	0.92
Legal and professional fees	295.49	232.27
Manpower outsourcing	70.30	37.30
Directors' sitting fees	3.30	3.45
Payment to auditors [Refer note no. (a) below]	15.40	17.25
Advertisement and business promotion	4.84	5.74
Advances/receivables written off (net) [Refer note no. (b) below]	71.68	-
Staff recruitment and training cost	0.04	0.03
Bank charges	-	1.62
Security Charges	22.63	28.39
Books and Periodicals	0.10	0.13
Brokerage	-	0.15
Corporate Social responsibility Expenses [Refer note no.43]	5.00	-
Meeting and seminar	2.27	0.71
General expenses	8.18	9.85
Total	**1,463.76**	**1,394.21**

Notes:

a) Details of payment to auditors

Statutory audit fee (including fee for limited review, interim financial reporting)	6.50	6.50
Tax audit fee	1.00	1.00
Certification charges	7.90	9.75
Total	**15.40**	**17.25**

b) Advances/receivables written off (net)

Write-off of receivable from sale of CCDs	2,273.00	-
Impairment loss on investment in CCD now charged off	422.45	-
Reversal of previously recognised impairment loss on receivable towards sale of CCDs	(2,695.45)	-
Vendors advances/balances no longer recoverable written off	71.68	-
Total	**71.68**	-

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26 Finance costs

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Interest measured at amortised cost		
Interest on debts and borrowings	586.46	1,059.03
Interest others	2,839.34	2,574.18
Other borrowing cost	230.47	1,064.37
Total	**3,656.27**	**4,697.58**
Details of finance cost (Interest measured at amortised cost)		
Interest on debts and borrowings		
Interest on debentures	586.46	1,059.03
Interest others		
Unwinding interest on liability portion of preference shares	406.48	367.25
Interest loss on modification of Loan to related parties	2,146.76	2,013.54
Unwinding interest on periodic maintenance provision	262.18	169.60
Interest on lease liability	17.73	23.79
Interest on delay in payment of statutory dues	6.19	-
Other borrowing cost		
Modification charge on service concession asset	144.91	979.26
Bank and other finance charges	85.56	85.11
Total	**3,656.27**	**4,697.58**

27 Depreciation and amortization expense

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
Depreciation of property, plant and equipment [Refer note no.2]	19.03	19.97
Amortization of intangible assets	3.66	3.65
Amortization of right of use assets [Refer note no.4]	139.54	96.72
Total	**162.23**	**120.34**

28 Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year. There is no dilutive potential ordinary shares as at March 31, 2026 and March 31, 2025. Thus, diluted EPS equals basic EPS.

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

Particulars	March 31, 2026	March 31, 2025
a) Nominal value of Equity shares (in Rupees per share)	10.00	10.00
b) Weighted average number of Equity shares at the year end (in Nos)	13,80,00,000	13,80,00,000
c) Profit/(loss) attributable to equity holders of the Company for basic earnings (Rupees in Lakhs)	1,979.21	567.75
d) Basic/Diluted Earning per share of Rs 10/- each (in Rs.) [(c)/(b)]	1.43	0.41

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29 Disclosures on Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Notes to the financial statements.

29.01 Financial instruments by category

Financial instruments comprise financial assets and financial liabilities.

The carrying value and fair value of financial instruments by categories are as follows Rupees in Lakhs

Particulars	Refer note no.	As at March 31, 2026 Amortised cost	Fair value through profit or loss	Fair value through OCI	As at March 31, 2025 Amortised cost	Fair value through profit or loss	Fair value through OCI
Financial assets:							
Investments:							
in CCD's of related party	5	3,280.00	-	-	3,280.00	-	-
Loans to group companies	6	27,822.01	-	-	24,404.01	-	-
Security deposit	7	0.11	-	-	0.11	-	-
Receivable under service concession	7	-	-	-	797.95	-	-
Cash and cash equivalents	10	4,707.03	-	-	3,451.62	-	-
Other bank balances (including interest accrued)	11	1,749.47	-	-	1.80	-	-
Fixed deposit with banks	7	-	-	-	324.61	-	-
Other financial assets	7	11,883.99	-	-	16,018.40	-	-
Total		**49,442.61**	-	-	**48,278.50**	-	-
		-			-		
Financial liabilities:							
Borrowings (including interest accrued)	14	5,182.81	-	-	10,227.51	-	-
Liability component of preference share capital	14	4,211.62	-	-	3,805.13	-	-
Trade payables	17	891.57	-	-	1,252.68	-	-
Lease liability	15	366.74	-	-	171.60	-	-
Other financial liabilities	18	-	-	-	-	-	-
Total		**10,652.74**	-	-	**15,456.92**	-	-
		-			-		

Fair values

The following methods and assumptions were used to estimate the fair values:

- The fair values of the unquoted mutual funds are based on NAV available at the reporting date.

29.02 Fair value hierarchy

The Company held the following assets and liabilities measured at fair value. The Company uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

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

a) The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2026:

Rupees in Lakhs

Particulars	Total	Level 1	Level 2	Level 3
Assets measured at fair value through profit or loss:	-	-	-	-
Liabilities measured at fair value through profit or loss:	-	-	-	-

b) The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2025:

Rupees in Lakhs

Particulars	Total	Level 1	Level 2	Level 3
Assets measured at fair value through profit or loss:	-	-	-	-
Liabilities measured at fair value through profit or loss:	-	-	-	-

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

During the year ended March 31, 2026 and March 31, 2025 there were no Assets/Liabilities measured at fair value through profit or loss and no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The Board of Directors considers the fair value of all other financial assets and liabilities to approximate their carrying value at the balance sheet date.

In view of all financial assets and liabilities are carried at amortised cost, there are no financial assets and liabilities to be fair valued under the fair value hierarchy.

30 Financial risk management

Financial Risk Factors

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets is Loan receivables, Receivable under SCA, Cash and Cash equivalents, Investment and other bank balance.

In the course of its business, the Company's exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The Company's senior management is supported by audit committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's senior management ensure that the company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The risk management policy is approved by the Board of Directors. The risk management frame work aims to :

i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuation on the Company's business plans.

ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

30.01 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, and derivative financial instruments. The sensitivity analysis in the following sections relate to the position as at March 31, 2026 and March 31, 2025.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations, provisions.

The following assumptions have been made in calculating the sensitivity analysis.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2026 and March 31, 2025.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rates in view of the Company's long-term debt obligations with fixed interest rates. Borrowings at fixed rates expose the Company to fair value interest rate risk. In respect of deployment of funds by the company as loans/deposits to the related parties the interest rate risk has been considered by the company by fixing the terms for those loans for a period not exceeding one year which may be renewed with rates reflecting current market scenario.

The Company analyses its interest rate exposure on a dynamic basis. The Company's policy is to manage its interest cost using only interest free/ fixed rate debts from related parties.

Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. 50 basis points represents management's assessment of reasonably possible change in interest rate. With all other variables held constant, the Company's profit/(loss) before tax is affected through the impact interest rate of borrowings is as follows:

Rupees in Lakhs

Particulars	Type of currency	Increase/ decrease in basis points	Effect on profit before tax		Effect on total equity	
			March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Increase of profit	INR	(+)50	6.67	31.27	6.67	31.27
Decrease of profit	INR	(-)50	(6.67)	(31.27)	(6.67)	(31.27)

30.02 Commodity price risk

The Company is affected by the price volatility of certain commodities which is moderated by optimising the procurement for operating activities which require continuous procurement of road operation and maintenance materials. Therefore the Company monitors its purchases closely to optimise the price.

GMR Pochanpalli Expressways Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

30.03 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of receivables under concession agreement/other receivables, loans, investments, cash and cash equivalents provided by the Company. The carrying value of financial assets represents the maximum credit risk, which may be affected by the changes in the credit risk of the counter parties.

No credit limits were exceeded during the reporting period other than those under litigation, and management does not expect any losses from non-performance by these counterparties.

Credit risk from balances with bank and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Loans are non-derivative financial instruments which generate a fixed or variable interest income for the Company. The carrying value of loans may be affected by the changes in the credit risk of the counter parties. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units for a specified time period.

The carrying values of the financial assets approximate its fair values. The above financial assets are not impaired as at the reporting date. Other financial assets are neither past due nor impaired at reporting date. The cash and cash equivalents are maintained with reputed banks. Hence the Company believes no impairment is necessary in respect of the above financial instruments.

30.04 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company's treasury department is responsible for liquidity, funding as well as settlement management.

Management monitors rolling forecasts of the Company's liquidity reserve on the basis of expected cash flow. This is generally carried out at by the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these; monitoring balance sheet liquidity ratios against internal and external regulatory requirements; and maintaining debt financing plans. The Company also issues preference shares to the parent company/ group companies from time to time to ensure a liquidity balance.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements.

As at March 31, 2026, the Company had a working capital of Rs.32,926.34 Lakhs including cash and cash equivalents of Rs.4,707.03 Lakhs. As at March 31, 2025, the Company had a working capital of Rs.35,662.80 Lakhs including cash and cash equivalents of Rs.3,451.62 Lakhs.

The following are the contractual maturities of non-derivative financial liabilities, including the estimated interest payment on an undiscounted basis which therefore differs from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the year end.

Financial Liabilities — Rupees in Lakhs

Particulars	Financial liabilities carrying value	Total amount payable	Repayable on demand/not due	Due within 1 year	Due between 1 to 5 years	Due after 5 years
As at March 31, 2026						
Borrowings	4,969.21	4,970.00	-	4,970.00	-	-
Lease liability	366.74	383.68	-	383.68	-	-
Interest accrued on debt	213.60	213.60	-	213.60	-	-
Preference shares	4,211.62	4,450.00	-	4,450.00	-	-
Trade payable	891.57	891.57	521.49	370.08	-	-
Other financial liabilities	-	-	-	-	-	-
Total	**10,652.74**	**10,908.85**	**521.49**	**10,387.36**	**-**	**-**
As at March 31, 2025						
Borrowings	9,804.51	9,809.00	-	4,839.00	4,970.00	-
Lease liability	171.60	185.82	-	120.86	64.96	-
Interest accrued on debt	423.00	423.00	-	423.00	-	-
Preference shares	3,805.13	4,450.00	-	-	4,450.00	-
Trade payable	1,252.68	1,252.68	7.98	1,244.70	-	-
Other financial liabilities	-	-	-	-	-	-
Total	**15,456.92**	**16,120.50**	**7.98**	**6,627.56**	**9,484.96**	**-**

GMR Pochanpalli Expressways Limited

Excessive risk concentration

The Company needs to assess the risks in relation to excessive risk concentration and the measures adopted by the Company to mitigate such risks.

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the company to manage risk concentrations at both the relationship and industry levels.

30.05 Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

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

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

The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt.

Rupees in Lakhs

Particulars		March 31, 2026	March 31, 2025
Debt - External long term borrowings	(a)	5,182.81	10,227.51
Capital Components			
Equity Share Capital		13,800.00	13,800.00
Other equity		18,514.99	16,560.22
Liability component of preference share capital		4,211.62	3,805.13
Total Capital	(b)	36,526.61	34,165.35
Capital and debt	(a+b)	41,709.42	44,392.86
Gearing ratio (%)	(a)/(a+b)	12.43%	23.04%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the period/year ended March 31, 2026 and March 31, 2025.

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GMR Pochanpalli Expressways Limited

31 Settlement of Claims under Service Concession Arrangement

The Company is engaged in designing, engineering, financing, procurement, construction, completion, improvement and operation and maintenance of annuity based highway projects of NH-7 (now NH-44) in the state of Telangana (earlier part of undivided Andhra Pradesh) under a Service Concession Agreement ("SCA") with NHAI and recognises revenue in accordance with Appendix D to Ind AS 115 under the financial asset model.

During earlier periods, a dispute arose between the Company and NHAI regarding the interpretation of Clause 4.3.1 of Schedule L read with Appendix 3.1 of the Concession Agreement, relating to the frequency of major maintenance / periodic renewal (overlay) of the project highway. Due to delays in execution of the first major maintenance NHAI has levied penalty and subsequently withheld portion of annuity amounts on multiple occasion. The matter was under litigation before Arbitral Tribunals and judicial forums, including the Hon'ble High Court, over a period of time.

Both the Company and NHAI had agreed to settle the litigations through Conciliation Committee of Independent Experts (CCIE-2). Accordingly, during the year, the Company entered into a Settlement Agreement dated February 19, 2026 with NHAI made under the provisions of section 73 of the Arbitration and Conciliation Act, 1996 (as amended) in respect of disputes relating to periodic maintenance obligations and withholding certain portion of annuity payments on couple of occasions. Pursuant to the settlement and the Hon'ble High Court order dated March 11, 2026, all pending litigation proceedings have been withdrawn and no further claims subsist; in respect of the pending arbitration proceedings, the Arbitral Tribunal will be requested to record the settlement of all disputes and pass appropriate orders for withdrawal of the application.

As per the settlement terms, the Company is required to undertake specified overlay works (40 mm bituminous concrete layer) on identified stretches to meet prescribed ride quality standards (rougher than the allowed limit of 1500 mm/km), and the project shall be handed over in accordance with the SCA provisions. The concessionaire's earlier claim for O&M cost savings on a descoped stretch stands withdrawn. Both parties have agreed to full and final settlement of all claims, with no future recourse, and the Company has undertaken to indemnify NHAI against any third-party claims arising in this regard.

Under the settlement, the Company received a total principal amount of Rs. 2,483.91 Lakhs during March 2026, comprising Rs.2,453.91 Lakhs towards release of withheld annuity and arbitration fee receivable (net of Rs.285.70 Lakhs on account of savings in Operation and Maintenance costs for the descoped 17 kms stretch of the Project Highway) and Rs.30.00 Lakhs towards reimbursement of litigation costs; additionally, the Company received Rs.1,597.77 Lakhs as interest on delayed payment of claims.

The accounting treatment of the above items is as follows:

a) Settlement proceeds

The settlement amount represents recovery of previously withheld annuity receivables and compensation for claims arising under the SCA.

To the extent relating to previously recognised financial assets (annuity receivables), the amount has been adjusted against the carrying value of such financial assets.

The Company has applied judgement in determining that such receipts do not represent revenue from contracts with customers under Ind AS 115 but are in the nature of settlement of contractual claims embedded within the SCA framework.

b) Interest on delayed payments

Interest received on delayed realisation of annuity-related claims represents compensation for the time value of money on financial assets arising from the SCA. Accordingly, the same has been recognised as Finance Income in the Statement of Profit and Loss in consistent with Ind AS 109 for financial assets measured at amortised cost, read with the principles of Ind AS 115 relating to significant financing components

c) Reimbursement of litigation expenses

Reimbursement of legal and arbitration costs has been recognised as Other Income, as it does not form part of the consideration for construction or operation services under Ind AS 115.

d) Operation and maintenance costs amounting to Rs.285.70 Lakhs, relating to the descoped 17 km stretch of the Project Highway and deducted from the settlement amount by NHAI, have been charged to operation and maintenance expense.

The aforesaid amounts have been duly accounted for as adjustments to financial assets, recognition of interest on delayed payments under finance income, reimbursement of litigation costs under other income, and O&M costs savings under operation and maintenance expenses respectively.

The Company has applied judgement in determining the appropriate classification of the above receipts. Based on the settlement, no contingent liabilities exist as at the reporting date.

32 Contingent liabilities and commitments

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
a. Contingent Liabilities (to the extent not provided for)		
Claims against the company not acknowledged as debt:		
i. Office of the Commissioner of Central Tax, Central Excise and Service Tax, Medchal Commissionerate, Hyderabad, issued a Demand Notice dated February 26, 2025 confirming CGST and SGST demands, classifying works contract services under SACS 9954, and imposing a penalty [Refer note no.33 below]	7,509.35	7,509.35
ii. Income tax demand of Rs.132.61 Lakhs for the AY 2020-21 issued by the Income tax department vide Assessment Order dated September 21, 2022 under section 143(3) of the Income tax Act, 1961 by non grant of set off of brought forward loss and non considering deduction under section 80G and section 80IA. The Company has filed an appeal before the CIT(Appeals), Bengaluru against the demand and management is confident of getting a favourable order.	132.61	132.61
iii. Defaults in Tax Deducted at Source relating to FY 2021-22 and earlier years as per TRACES login	4.02	4.02
b. Other Commitments	-	-

GMR Pochanpalli Expressways Limited

33 Litigations under goods and service tax

The Additional Director General of GST Intelligence (DGGI), Hyderabad Zonal Unit, issued a Show Cause Notice (SCN) No. 05/2023-24(GST) dated April 28, 2023, to the Company, seeking to recover Rs.6,826.68 Lakhs in CGST and TGST for the period September 2017 to September 2022 under Section 73(1) of the TGST Act, 2017. The demand pertained to GST on annuity payments received from NHAI under a Build-Operate-Transfer (BOT) contract for road construction and maintenance services, as per the Service Concessionaire Agreement (SCA) dated March 31, 2006. The Company challenged the SCN before the Telangana High Court, arguing that the annuity payments were exempt under entry 23A of Notification 12/2017 Central Tax (Rate) for the period up to its withdrawal on January 1, 2023, via Notification No. 15/2022. The High Court initially issued a notice to the Respondent and directed that no coercive action be taken. The High Court, however, dismissed the writ petition on October 28, 2024.

The Company then filed a Special Leave Petition (SLP) before the Supreme Court, which was disposed of on January 27, 2025, with a direction that the DG of GST Intelligence should not be influenced by the High Court's findings while deciding the show cause notice. Subsequently, on February 26, 2025, the office of the Commissioner of Central Tax, Central Excise and Service Tax, Medchal Commissionerate, Hyderabad (Authorities) has confirmed the demand for CGST of Rs.3,413.34 Lakhs and SGST of Rs.3,413.34 Lakhs on annuity payments received from the NHAI (for the period from September 2017 to September 2022) as deferred payments under the Build-Operate-Transfer (BOT) model, classifying the works contract services under SACS 9954, and imposed a penalty of Rs.682.67 Lakhs. Aggrieved by the said order, the Company has filed a writ petition before the Hon'ble Telangana High Court. The Hon'ble High Court, vide interim order dated May 01, 2025, has granted a stay on the operation and effect of the impugned order until the next date of hearing.

Management, relying on external opinion, anticipates a favourable outcome regarding annuity payments and believes there will be no adverse financial impact on the Company, as any GST levied will be recovered from NHAI. Therefore, no adjustment has been made in the financial statements pending the matter's final resolution.

34 The Company has subscribed for 328 Unsecured 0.01% Compulsorily Convertible Debentures (CCDs) of face value of Rs.10,00,000/- each aggregating to Rs.3,280 Lakhs of GMR SEZ & Port Holdings Limited (GSPHL) on preferential basis on December 17, 2024 by converting equivalent amount of existing loans including interest accrued thereon. CCDs are Compulsorily Convertible into 1,00,000 Equity Shares of face value of Rs.10/- each immediately on the expiry of 5 years from the date of allotment of CCDs. GSPHL is 100% subsidiary of GMR Power and Urban Infra Limited (GPUIL). GSPHL is engaged in the business of development of special investment regions and Industrial Estates / Parks and to carry on the business of property developers, builders, creators, operators, owners, contractors of all and any kind of infrastructure facilities and services. GPUIL is Holding Company for both the entities i.e. GMR Pochanpalli Expressways Limited and GMR SEZ and Port Holdings Private Limited. GPUIL has undertaken that it will buy these CCDs from Company on or before end of its concession period and also ensure that at no point of time during the currency of these CCDs, the Company will bear any kind of loss on this investment in view of the same the fair valuation is considered at the cost of investment.

35 The Indian Parliament has enacted the four Labour Codes, which have been notified by the Government of India and made effective from November 21, 2025. These Codes have implications on the Company's contributions towards Provident Fund and Gratuity, primarily due to the revised definition of wages and other related statutory requirements. The Company has evaluated and implemented the provisions of the Labour Codes for the first time with effect from the notified date. Accordingly, the financial impact arising from such implementation has been recognised in the financial results for the year ended March 31, 2026, based on management's assessment and actuarial evaluation, where applicable.

36 The Management of the Company is of the opinion that no provision is required to be made in its books of account other than those already provided if any, with respect to any material foreseeable losses under the applicable laws, accounting standards or long term contracts. The Company does not have any derivative contracts.

37 Non-consideration of Service Concession Agreement adjustment for the purpose of computing Income under section 115JB of the Income Tax Act, 1961:

The Company had entered into concession agreement with National Highways Authority of India for rehabilitation and strengthening of existing 2-lane portion from km 367.000 (Adloor Yellareddy) to km 447.000 (Kalkallu), covering 80.745 kms, and improvement, operation and maintenance of kms 447.000 (Kalkallu) - 464.000 (Gundla Pochanpalli) covering 17.00 kms on NH-7 in the state of Andhra Pradesh, to 4 lanes under a concession on build, operate and transfer (BOT).

Indian Accounting Standards (Ind AS) was made applicable to the Company from financial year (FY) 2016-17. Under Ind AS the company being an operator under Service Concession Agreement (SCA) entitled to fixed annuity has classified Carriageways as financial assets. The company in terms of the same is apportioning proportionate amount of Annuity received by it every year to the financial assets so that at the end of concession period the assets becomes NIL and the balance towards financing income and service revenue towards operations. The company accordingly is not charging any depreciation on carriageways as was done under IGAAP. Accordingly the proportionate amount of annuity charges to carriageways is not shown as income / revenue in the profit and loss account and similarly depreciation is not claimed as expenses as was done under IGAAP.

As per the provision of section 4 and 5 of the Income Tax Act, the above amount of Annuity which is not included in the profit and loss account is chargeable to tax under normal provision of Income Tax Act. Similarly, the company is eligible to claim expenses of periodic maintenance (overlay) and income tax depreciation under the normal provision of Act.

The Company while Computing Book Profit in terms of Section 115 JB of Income Tax Act 1961, upto FY 2022-23, has offered the above amount of annuity for tax and corresponding depreciation on carriageways (original cost of project road) and expenses towards periodic maintenance has been claimed while computing book profit under section 115JB of the Act as against the book profit arrived at in the financials based on the financial model in terms of applicable Indian Accounting Standards.

The Company's current tax expense upto FY 2022-23 reflects a provision based on profits reported in the financial statements, representing a prudent estimate of the year's tax liability. Following assessment and expiration of the reassessment period, the Company reversed an excess tax provision of Rs. 427.91 Lakhs for FY 2017-18. The remaining excess tax provisions of Rs. 865.98 Lakhs (up to FY 2022-23) will be finalized upon completion of income tax assessment proceedings, with adjustments made accordingly.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

38 The Company is engaged primarily in the business of Construction, Operation & Maintenance of Highways. As per the requirements of Ind AS 108, " Operating Segments", the principal revenue generating activities of the Company is from Operation & Maintenance of Highways which is regularly reviewed by the National Highways Authority of India (NHAI). Accordingly, the management is of the view the Company has a single reportable segment and the requirements of reporting on operating segments and related disclosures as envisaged in Indian Accounting Standard 108 is not applicable to the present activities of the Company.

The Company's only segment being Operation & Maintenance of Highways comprises of one customer which has contributed 100% of the revenue during the year.

39 The Company has initiated the process of Balance confirmations and is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management however does not expect any material difference affecting the current year's financial statements due to the same.

40 Employee Benefits

a) Defined Contribution Plans :

The Company's Contribution to Provident and Pension Fund and Superannuation Fund charged to Statement of Profit and Loss are as follows :

		Rupees in Lakhs
Particulars	**March 31, 2026**	**March 31, 2025**
Contribution to provident fund and other funds	41.57	39.35
Contribution to Superannuation fund	19.12	19.53
Total	**60.69**	**58.88**

b) The disclosures required as per the revised Ind AS 19 are as under:

The following tables set out the funded status of the gratuity plans and the amounts recognised in the Company's financial statements as at March 31, 2026 and March 31, 2025:

		Rupees in Lakhs
Particulars	**March 31, 2026**	**March 31, 2025**
i. Change in defined benefit obligation		
Defined benefit at the beginning	99.22	109.94
Current Service Cost	8.81	9.21
Past Service Cost	33.21	-
Interest expenses	6.95	6.74
Acquisition Cost/(Credit)	-	0.94
Remeasurements - Actuarial loss / (gain)	24.44	0.73
Benefits paid	(33.08)	(28.34)
Defined benefit at the end	**139.55**	**99.22**
ii. Change in fair value of plan assets:		
Fair value of Plan Assets at the beginning	61.97	85.60
Expected return on plan assets	3.08	4.71
Contributions by employer	-	-
Benefits paid	(33.08)	(28.34)
Fair value of plan assets at the end	**31.97**	**61.97**
iii. Amount Recognized in the Balance Sheet		
Present Value of Obligation as at year end	139.55	99.22
Fair Value of plan assets at year end	(31.97)	(61.97)
Net (asset) / liability recognised	**107.58**	**37.25**
iv. Amount recognized in the Statement of Profit and Loss under employee benefit expenses.		
Current Service Cost	8.81	9.21
Past Service Cost	33.21	-
Service cost	42.02	9.21
Net interest on net defined benefit liability / (asset)	3.87	2.03
Total	**45.89**	**11.24**
v. Recognised in other comprehensive income for the year		
Remeasurement of actuarial gains/(losses) arising from		
- changes in experience adjustments	26.27	(1.51)
- changes in financial assumption	(1.83)	2.24
- changes in demographic assumptions	-	-
Actuarial (gains)/ losses	24.44	0.73
- return on plan assets excluding interest income	-	-
Actuarial (Gain) or Loss recognized in other comprehensive income	**24.44**	**0.73**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Rupees in Lakhs

Particulars	March 31, 2026	March 31, 2025
vi. *Maturity profile of defined benefit obligation*		
Within the next 12 months (next annual reporting period)	8.21	24.70
1-2 year	9.20	4.69
2-3 year	22.71	5.02
3-4 year	24.78	5.12
4-5 year	28.57	12.71
5-10 year	44.16	40.25
vii. *Quantitative sensitivity analysis for significant assumptions is as below:*		
Increase / decrease on present value of defined benefit obligation as at year end		
(i) one percentage point increase in discount rate	(7.92)	(5.41)
(ii) one percentage point decrease in discount rate	8.82	6.07
(iii) one percentage point increase in salary escalation rate	6.51	5.15
(iv) one percentage point decrease in salary escalation rate	(6.05)	(4.67)
(v) one percentage point increase in employee turnover rate	0.74	0.44
(vi) one percentage point decrease in employee turnover rate	(0.81)	(0.49)

Sensitivity Analysis Method

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by percentage, keeping all the other actuarial assumptions constant.

Risk Faced by Company:

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

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

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

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

viii. *The major category of plan assets as a percentage of the fair value of total plan assets are as follows:*

	March 31, 2026	March 31, 2025
Investment with Insurer managed funds - conventional products	100%	100%

The Company contributes all ascertained liabilities towards gratuity to the Life Insurance Corporation of India (LIC). As of March 31, 2026 and March 31, 2025, the plan assets have been invested in insurer managed funds.

ix. The weighted average assumptions used to determine net periodic benefit cost for the year ended March 31, 2026 and March 31, 2025 are set out below:

	March 31, 2026	March 31, 2025
Discount rate (p.a.)	6.80%	6.60%
Salary escalation Rate	6.00%	6.00%
Attrition rate	5.00%	5.00%
Retirement age	60 years	60 years
Mortality Table	Indian Assured Lives Mortality (2006-08) (modified) ULT	Indian Assured Lives Mortality (2006-08) (modified) ULT

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

Expected employer contributions for the year ending March 31, 2027 Rs. Nil.

c) Leave Encashment

Liability towards Leave Encashment based on Actuarial valuation amounts to Rs. 129.37 Lakhs as at March 31, 2026 (March 31, 2025: Rs. 140.24 Lakhs).

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

41 List of Related Parties with whom transactions have taken place during the year:

a) **Names of the related parties and description of relationship**

Relationship	Name of the related parties
Holding Company	GMR Highways Limited (GHWL)
Enterprises having control over the Company	GMR Enterprises Private Limited [GEPL], (formerly known as GMR Holdings Private Limited)
	GMR Power and Urban Infra Limited [GPUIL] w.e.f. January 01, 2022
Fellow Subsidiary	GMR Energy Ltd (GEL)
	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)
	GMR Hyderabad Vijayawada Expressways Private Ltd (GHVEPL)
	Raxa Security Services Limited (RSSL)
	Dhruvi Securities Private Limited (DSPL)
	GMR SEZ & Port Holdings Limited [GSPHL]
	Delhi International Airports Limited [DIAL]
	GMR Hospitality and Retail Limited (GHRL)
	GEOKNO India Private Limited (GIPL)
Other entities - Enterprise where Key Management Personnel and their relatives exercise significant influence	GMR Varalakshmi Foundation (GVF)
Key Management Personnel	Mrs. Ramadevi Bommidala, Whole time director (from August 01, 2022)
	Mrs. Ragini Kiran Grandhi, Director (from May 01, 2016)
	Mr. O Bangaru Raju, President (from May 01, 2019)
	Mr. Arun Kumar Sharma, Director (from April 11, 2014)
	Mr. Bajrang Lal Gupta, Independent Director (from September 01, 2016)
	Mr. Mohan Rao M, Independent Director (till October 17, 2024)
	Mr. Ramakrishanan Ramamurthy, Additional Independent Director (from December 24, 2024)
Chief Financial Officer	Mr. Amit Kumar, CFO
Company Secretary	Mr. Paramjeet Singh, Company Secretary
Manager	Mr. Paranthaman Adimoolam (Manager, from February 23, 2019 till November 15, 2024)
	Mr. Jannela Venkata Ramana (Manager, from December 1, 2024 till February 22, 2025)
	Mr. Upendra Kumar (Manager, from May 1, 2025)

b) **Details of the transactions with related parties are as follows :** **Rupees in Lakhs**

Particulars	Relationship	March 31, 2026	March 31, 2025
A. Items relating to statement of profit and loss			
a. Interest income on Inter Corporate Deposit/Unsecured Loan given			
GHWL	Holding Company	1,719.62	1,877.83
GPUIL	Enterprises having control over the Company	1,394.64	1,424.62
DSPL	Fellow Subsidiary	26.41	28.24
GSPHL	Fellow Subsidiary	-	214.55
GACEPL	Fellow Subsidiary	30.87	33.94
b. Modification Loss /(reversal) on Loan given to related parties			
GHWL	Holding Company	1,089.44	1,158.74
GPUIL	Enterprises having control over the Company	1,019.76	818.51
DSPL	Fellow Subsidiary	20.19	20.19
GSPHL	Fellow Subsidiary	-	(56.17)
GACEPL	Fellow Subsidiary	17.37	16.09
c. Interest income on debentures			
GSPHL	Fellow Subsidiary	0.33	0.09
d. Interest on Liability portion of Preference Shares			
GPUIL	Enterprises having control over the Company	406.48	367.25
e. Share of Corporate Common expense			
GPUIL	Enterprises having control over the Company	144.42	72.87
f. Monthly Maintenance of Highways and toll construction			
GHWL	Holding Company	473.66	713.14
g. Change of scope work reimbursed			
GHWL	Holding Company	437.76	528.77

GMR Pochanpalli Expressways Limited

GMR POCHANPALLI EXPRESSWAYS LIMITED
CIN - U45200KA2005PLC049327

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

b) Details of the transactions with related parties are as follows : Rupees in Lakhs

Particulars		Relationship	March 31, 2026	March 31, 2025
h.	Periodic maintenance of Highways expenses recognised			
	GHWL	Holding Company	951.79	1,957.38
i.	Charges for Security & Toll management services			
	RSSL	Fellow Subsidiary	113.40	113.38
j.	Unwinding Interest on Periodic Maintenance / (reversal)			
	GHWL	Holding Company	262.18	169.60
k.	Corporate Social Responsibility Expenses			
	GVF	Other Entities	5.00	-
l.	Trademark & Logo fees			
	GEPL	Enterprises having control over the Company	21.30	21.63
m.	Rent , Travel, Electricity and Maintenance			
	DIAL	Fellow Subsidiary	157.91	117.89
n.	Unwinding interest on lease liability			
	DIAL	Fellow Subsidiary	17.73	23.79
o.	Depreciation on right of use assets			
	DIAL	Fellow Subsidiary	139.54	96.72
p.	Purchase of fixed assets			
	GHVEPL	Fellow Subsidiary	-	0.06
q.	Purchase of O&M stores and spares			
	GHVEPL	Fellow Subsidiary	-	86.15
r.	Reimbursement of IT Support Services & Consultancy charges			
	GHWL	Holding Company	6.83	8.97
s.	Reimbursement of Repairs and Maintenance			
	GHWL	Holding Company	44.84	29.95
t.	Reimbursement of fuel expense			
	DIAL	Fellow Subsidiary	-	-
u.	Reimbursement of accomodation Charges			
	GHRL-Hotel Division	Fellow Subsidiary	0.24	-
v.	Reimbursement of BG Commision Charges			
	GPUIL	Fellow Subsidiary	24.70	-
w.	Operation & maintenance expenses			
	GIPL	Fellow Subsidiary	1.00	-
B. Items relating to balance sheet				
a.	Equity shares outstanding			
	GHWL	Holding Company	13,593.00	13,593.00
	GPUIL	Enterprises having control over the Company	138.00	138.00
	GEL	Fellow Subsidiary	69.00	69.00
b.	Equity component of preference shares			
	GPUIL	Enterprises having control over the Company	3,620.95	3,620.95
c.	Liability portion of preference shares			
	GPUIL	Enterprises having control over the Company	4,211.62	3,805.13
d.	Unsecured Loan / inter corporate deposits given			
	GPUIL /(GIL)	Enterprises having control over the Company		
	Opening balance		12,150.56	12,150.56
	Add: Loan given during the year		2,800.00	-
	Less: Recovered during the year		-	-
	Closing Balance		14,950.56	12,150.56
	GHWL	Holding Company		
	Opening balance		11,809.92	11,809.92
	Add: Loan given during the year		710.00	-
	Less: Recovered during the year		(92.00)	-
	Closing Balance		12,427.92	11,809.92

GMR Pochanpalli Expressways Limited

b) Details of the transactions with related parties are as follows :

Rupees in Lakhs

	Particulars	Relationship	March 31, 2026	March 31, 2025
	Unsecured Loan / inter corporate deposits given			
	DSPL	Fellow Subsidiary		
	Opening balance		177.00	177.00
	Less: Recovered during the year		-	-
	Closing Balance		177.00	177.00
	GSPHL	Fellow Subsidiary		
	Opening balance		-	2,510.00
	Less: Converted into Compulsorily convertible debentures		-	(2,510.00)
	Closing Balance		-	-
	Unsecured Loan / inter corporate deposits given			
	GACEPL	Fellow Subsidiary		
	Opening balance		266.53	266.53
	Less: Recovered during the year		-	-
	Closing Balance		266.53	266.53
e.	Advance to supplier of goods / services			
	GHWL	Holding Company		
	Opening balance		93.68	1,510.98
	Add: Advance given during the year		1,331.32	1,398.44
	Less: Utilised during the year		(773.19)	(2,815.74)
	Closing Balance		651.81	93.68
	GPUIL	Holding Company		
	Opening balance		1.75	-
	Add: Advance given during the year		26.36	30.45
	Less: Utilised during the year		(28.11)	(28.70)
	Closing Balance		-	1.75
f.	Interest receivable on loan given (net of modification loss)			
	GPUIL	Enterprises having control over the Company	4,822.22	4,548.62
	GHWL	Holding Company	5,432.61	5,007.70
	DSPL	Fellow Subsidiary	87.15	82.40
	GACEPL	Fellow Subsidiary	89.55	78.27
g.	Investment in Compulsorily convertible debentures			
	GSPHL	Fellow Subsidiary	3,280.00	3,280.00
h.	Interest accrued on Compulsorily convertible debentures			
	GSPHL	Fellow Subsidiary	0.38	0.08
i.	Trade and other payables			
	GPUIL	Enterprises having control over the Company	104.41	11.01
	GEPL	Enterprises having control over the Company	21.25	21.61
	GHWL	Holding Company	-	489.18
	DIAL	Fellow Subsidiary	49.43	276.67
	RSSL	Fellow Subsidiary	10.16	9.66
	GHVEPL	Fellow Subsidiary	-	101.73
j.	Right of use assets:			
	DIAL	Fellow Subsidiary	361.51	145.22
k.	Lease liability payable:			
	DIAL	Fellow Subsidiary	366.74	171.60
l.	Provision for periodic maintenance			
	GHWL	Holding Company		
	Opening balance		8,266.94	11,117.07
	Add: Provision made during the year		884.51	724.79
	Less: Provision utilised during the year		(951.79)	(1,957.38)
	Less: Reversal of excess provision during the year		-	(1,617.54)
	Closing Balance		8,199.66	8,266.94

GMR Pochanpalli Expressways Limited

GMR POCHANPALLI EXPRESSWAYS LIMITED

CIN - U45700KA2005PLC049327

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Notes:

i. Related Party Transactions given above are as identified by the Management.

ii. Commitments with related parties: As at year ended March 31, 2026 and March 31, 2025, there is no commitment outstanding with any of the related parties.

iii. Terms and conditions of transactions with related parties
The transaction from related parties are made on terms equivalent to those that prevail in arm's length transactions as approved by the Audit Committee. Outstanding balances at the year-end are unsecured and settlements occurs in cash. There have been no guarantees provided or received for any related party receivables or payables other than loans to related parties and support letter received for such loans granted from GMR Power and Urban Infra Limited (GPUIL). For the period ended March 31, 2026 and March 31, 2025, the Company has assessed the credit risk of dues receivable from related parties in respect of loans outstanding and the management is of the view that there are no impairment/credit loss allowance to be considered other than those already provided under modification loss with regard to loss allowance and delay in repayment of interest. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

iv. For terms and condition related to Preference Share please refer Note no14.

c. Compensation of key management personnel of the company — **Rupees in Lakhs**

Sl. No.	Particulars	March 31, 2026	March 31, 2025
a.	Short-term employee benefits	342.79	381.18
b.	Post-employment benefits (provident fund and superannuation fund)	25.40	26.22
c.	Any other payment/benefit given to KMPs	3.30	3.45
	Total	371.49	410.85

d. Transaction with Key Management Personnel — **Rupees in Lakhs**

Particulars	Remuneration						Outstanding loans/advances receivables
	Short-term employee benefits	Post employment benefits	Other long-term employee benefits	Termination benefits	Sitting Fee	Others - Reimbursements	
Mr. Bajrang Lal	-	-	-	-	1.50	-	-
Gupta	-	-	-	-	*(1.65)*	-	-
Mr. Ramakrishnan	-	-	-	-	1.50	-	-
Ramamurthy	-	-	-	-	*(0.30)*	-	-
Mr. Mohan	-	-	-	-	-	-	-
Rao M	-	-	-	-	*(1.05)*	-	-
Mrs. Ramadevi	112.26	9.14	-	-	-	-	-
Bommidala	*(102.73)*	*(8.31)*	-	-	-	-	-
Mrs. Ragini Kiran	-	-	-	-	0.30	-	-
Grandhi	-	-	-	-	*(0.45)*	-	-
Mr. O Bangaru Raju	185.80	12.51	-	-	-	-	-
	(258.04)	*(16.79)*	-	-	-	-	-
Mr. Upendra	44.73	3.75	-	-	-	-	-
Kumar	-	-	-	-	-	-	-
Mr. Jannela	-	-	-	-	-	-	-
Venkata Ramana	*(6.98)*	*(0.05)*	-	-	-	-	-
Mr. Paranthaman	-	-	-	-	-	-	-
Adimoolam	*(13.43)*	*(1.07)*	-	-	-	-	-

Previous year are in () brackets

Note:

Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

GMR Pochanpalli Expressways Limited

42 Ratio Analysis

Sl	Ratios	Numerator	Denominator	March 31, 2026	March 31, 2025	Variance	Remarks
a)	Current Ratio	Current Asset	Current liabilities	2.89	4.44	-35%	Decreased due to steep increase in provision for periodic maintenance
b)	Debt-Equity Ratio	Debt including lease liabilities and interest accrued thereon	Total Equity	0.30	0.47	-35%	Debt is decreased due to redemption of NCD
c)	Debt Service Coverage Ratio	Earnings before Tax + Depreciation + Interest on secured debts + interest on lease liability	Debt redemptions and interest on debt and payment of lease liabilities and interest thereon	0.56	0.34	62%	Due to increase in profit and decrease in secured debts and interest on debts
d)	Return on Equity Ratio	Profit after tax	Average Shareholders equity (less DRR)	8.96%	2.73%	229%	Due to significant increase in profit after tax during the year
e)	Inventory turnover ratio	Revenue from operations	Average Inventories	102.56	140.26	-27%	Due to increase in average inventory items during the year
f)	Trade/SCA Receivables turnover ratio	Revenue from operations	Average of service concession assets (SCA) receivables	17.79	1.76	910%	Due to significant decrease in average SCA receivables during the year.
g)	Trade payables turnover ratio	Operating expenses, Employee benefits expense, Other expenses other than fair value changes (net of provisions movement)	Average Trade payable	4.00	6.78	-41%	Due to significant decrease in operating expenses
h)	Net capital turnover ratio	Total Income	Working Capital (current assets minus current liabilities)	27.51%	27.05%	2%	Due to decrease in working capital
i)	Net profit ratio	Net profit after tax	Total Income	18.98%	5.18%	266%	Due to increase in profit after tax
j)	Return on Capital employed	Earning before interest and taxes	Tangible net worth + Total Debt + Deferred Tax liabilities	7.05%	4.48%	57%	Increased due to increase in EBIT and redemption of Debt during the year.
k)	Return on investment	Interest Income	Investment (including unsecured Loans, deposit with banks and investments)	9.46%	11.65%	-19%	Due to decrease in interest on loans and deposits

GMR Pochanpalli Expressways Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

43 Corporate Social Responsibility

Company is covered under section 135 of the Companies Act, 2013 ('the Act') and the details thereof is given below

Rupees in Lakhs

	Particulars	March 31, 2026	March 31, 2025
a)	Amount required to be spent by the company for the year	5.00	Nil
b)	Amount of expenditure incurred	5.00	Nil
c)	Shortfall at the end of the year	-	Nil
d)	Total of previous year shortfall	Nil	Nil
e)	Reason for shortfall	NA	NA
f)	Nature of CSR activities	Education & Community Development	NA
g)	Name of the trust	GMR Varalakshmi Foundation	NA
h)	Whether provision is made in relation to liability incurred	NA	NA

The Company's social responsibility initiatives are implemented through GMR Varalakshmi Foundation (GMRVF), the CSR arm of the GMR Group. The activities cover awareness about Education, Health and Sanitation, Empowerment and Livelihoods and Community Development. The CSR fund from GPEL has been spent for various social developments initiatives across GMR group business locations in the country. The Company has spent CSR amount through GMRVF Rs.5 Lakhs (March 31, 2025 : Rs.Nil Lakhs). Amount spent directly by the Company is Rs.Nil (March 31, 2025 : Rs.Nil).

During the previous year 2024-25, the Company was not required to contribute towards Corporate Social Responsibility ("CSR") as none of the criteria set under section 135(1) of the Act were applicable to the company.

44 Other statutory information

i) There are no balance outstanding on account of any transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

ii) The Company do not have any capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

iii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

vi) The Company does not own any immovable property and accordingly the title deeds not held in name of the Company does not arise.

vii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

viii) The Company has not been declared wilful defaulter by any bank of financial institution of other lender.

ix) The Company has complied with the number of layers prescribed under clause 87 of Section 2 of the Act read with Companies (Restriction on number of Layers) Rules 2017.

x) The Company does not have any scheme of arrangement that has been approved by the Competent Authority during the financial year in terms of sections 230 to 237 of the Companies Act, 2013.

xi) The Company has neither transacted in Crypto or Virtual Currency during the year nor held any Crypto or Virtual Currency as at the Balance Sheet date.

xii) The Company do not have any borrowings from banks and financial institutions as on balance sheet date, hence using borrowed funds for the specific purpose for which it was taken does not arise. The Company had used the proceeds of debentures in the year of issuance of debentures for the purpose it was raised.

xiii) The Company is not required to file the quarterly return/ statement of current assets with bank and financial institutions as the company does not have any borrowings from bank and financial institutions.

GMR Pochanpalli Expressways Limited

45 Salient aspects of Service Concession Arrangement

National Highways Authority of India (NHAI) has granted the exclusive right and authority during the concession period for designing, engineering, financing, procurement, construction, completion, operation and maintenance of the Project Highway. It shall include Improvement, Operation and Maintenance of NH 7 (now NH-44) in the state of Telangana (earlier part of undivided Andhra Pradesh).

The Concession period is 20 year commencing from the commencement date .i.e. September 27, 2006

NHAI has further granted the exclusive right and authority during the concession period in accordance with terms and condition of the agreement to:

- to develop, design, engineer, finance, procure, construct, operate and maintain the Project Highway during the Concession Period.
- upon Completion of the Project Highway and during the Operation Period to manage, operate & maintain the Project Highway and regulate the use thereof by third parties.
- to allow NHAI to levy, demand, collect and appropriate the Fees from vehicles and persons liable to payment of Fees for using the Project Highway or any part thereof.
- perform and fulfil all of the obligations under this agreement.
- bear and pay all expenses, costs and charges incurred in the fulfilment of all the obligations under this Agreement.
- not assign or create any lien or Encumbrance on the Concession hereby granted on the whole or any part of the Project Highway nor transfer, lease or part possession therewith save and except as expressly permitted by this Agreement or the Substitution Agreement.

Annuity

Subject to the provisions of the Concession Agreement and in consideration of the Company accepting the Concession and undertaking to perform and discharge its obligations in accordance with the terms, conditions and covenants set forth in this agreement, NHAI agrees and undertake to pay to the Concessionaire, on each Annuity Payment Date, the sum of Rs.5,418 Lakhs.

The Company should not levy, demand or collect from or in respect of any vehicle or Person, for the use of Project Facilities, any sum whatsoever in the nature of a toll or fee.

The Company should not permit or allow any advertisement/hoarding or other commercial activity and should not be entitled to charge, collect or receive any sums on account of any such activity. The Company agrees that unless otherwise provided in this Agreement, the project revenue shall consist of Annuity only.

Concession Fee

In consideration of the grant of Concession under this Agreement, the Concession fee payable by the Company to the NHAI is Rs. 1 per year during the terms of the concession agreement.

Operation and Maintenance

The Company shall operate and maintain the Project Highway by itself or through Operations and Maintenance (O&M) Contractor and if required, modify, repair or otherwise make improvement to the Project Highway to comply with Specifications and Standards, and other requirements set forth in this Agreement, Good Industry Practice, Applicable laws and Applicable Permits and manufacturer's guidelines and instructions with respect to toll systems and more specifically:

i. permitting safe, smooth and uninterrupted flow of traffic during normal operating conditions.

ii. to allow NHAI to levy, demand, collect and appropriate the Fees from vehicles and persons liable to payment of Fees for using the Project Highway or any part thereof as per Article VII of the Concession Agreement

iii. minimizing disruption to traffic in the event of accidents or other incidents affecting the safety and use of the Project Highway by providing a rapid and effective response and maintaining liaison procedures with emergency services.

iv. undertaking routine maintenance including prompt repairs of potholes, cracks, Concrete joints, drains, line marking, lighting and signage.

v. undertaking periodic maintenance such as resurfacing of pavements, repairs to structures and hardware and other equipment.

vi. carrying out periodic preventive maintenance to Project Highway.

vii. preventing with the assistance of concerned law enforcement agencies unauthorised entry to and exit from the Project Highway.

viii. preventing with the assistance of the concerned law enforcement agencies encroachments on the Project Highway including site and preserve the right of way of the Project Highway.

ix. maintaining a public relations unit to interface with and attend to suggestions from users of the Project Highway, the media, Government Agencies, and other external agencies.

x. adherence to the safety standards.

Monitoring and Supervision during Operation

The Company is required to undertake periodic inspection of the Project Highway to determine the condition of the Project Highway including its compliance or otherwise with the Maintenance Manual, the Maintenance Programme, Specifications and Standards and the maintenance required and shall submit report of such inspection ("Maintenance Report") to NHAI and the Independent Consultant.

GMR Pochanpalli Expressways Limited

GMR POCHANPALLI EXPRESSWAYS LIMITED

CIN - U45200KA2005PLC049327

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

46 Figures of the previous year wherever necessary, have been regrouped and rearranged to conform with those of the current year.

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

Lalit R Mhalsekar
Partner
Membership No.: 103418

Date : April 29, 2026
Place : New Delhi

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

Arun Kumar Sharma
Director
DIN: 02281905

Bajrang Lal Gupta
Director
DIN: 07175777

Amit Kumar
Chief Financial Officer
Membership no. 500164

Paramjeet Singh
Company Secretary
Membership no. A18789

Date : April 29, 2026
Place : New Delhi

GMR Pochanpalli Expressways Limited