



L&T RAJKOT - VADINAR TOLLWAY LIMITED

**7th ANNUAL REPORT
2014-15**

Board of Directors

Mr.Karthikeyan.T.V
Mr.Manoj Kumar Singh
Dr.Esther Malini
Mr.K.P.Raghavan
Dr.K.N.Satyanarayana

Chief Financial Officer

Mr.T. V. Sendil Prabakaran

Manager

Debendra Kumar Barik

Statutory Auditors

M/s.Gianender & Associates,
Chartered Accountants

Registered Office

Post Box No.979
Mount Poonamallee Road
Manapakkam
CHENNAI - 600 089



L&T IDPL

L&T Rajkot - Vadinar Tollway Limited

(A subsidiary of L&T IDPL)

KM-58+325, Toll Plaza Building, Village-soyal,
Rajkot Jamnagar, SH No.25, Taluka - Dhrol,
District-Jamnagar, Gujarat, Pin- 361210
Phone : 0288-3911339

NOTICE TO MEMBERS

Notice is hereby given for the SEVENTH ANNUAL GENERAL MEETING of the Members of L&T RAJKOT- VADINAR TOLLWAY LIMITED to be held on Wednesday, 23th September 2015 at 11:00 A.M. at the Registered office of the Company located at 1st Floor, TCTC Building, Post Box No.979, Mount Poonamallee High Road, Manapakkam, Chennai - 600 089 to discuss the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited Financial Statements for the period from 1st April, 2014 to 31st March 2015 and the Reports of the Board and Auditors thereon.
2. To appoint the Statutory Auditors of the Company and to fix their Remuneration and for that purpose to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT, pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder, M/s. Manubhai & shah., Chartered Accountants, Firm Registration no. 106041W and having their office at 2nd floor 'B' wing premium house near gandhigram railway station, navrangpura, Ahmedabad-38009 be and are hereby appointed as Statutory Auditors of the company to hold office for a term of Five years from the conclusion of this Annual General Meeting till the conclusion of the 12th Annual General Meeting of the Company."

"FURTHER RESOLVED THAT the remuneration for the year 2015-16 be and is hereby fixed at ₹. 2, 50,000/- p.a. plus service tax excluding travelling and other Out of Pocket Expenses."

"FURTHER RESOLVED THAT the appointment of the Statutory Auditor be and is hereby ratified in every Annual General Meeting during the Five year term for which the Statutory Auditor is appointed and the remuneration for every financial year during the term be fixed at every Annual General meeting at the time of ratification of their appointment."

"RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorized to sign such notice as may be required under the Companies Act, 2013, appointment letter and such other documents, if any, to be submitted with Ministry of Corporate affairs and also to inform the Statutory auditors about their appointment by sending

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signed letter / documents as may be required confirming their appointment as Statutory Auditor."

SPECIAL BUSINESS:

3. TO APPOINT MR. KARTHIKEYAN T V (DIN 01367727) AS DIRECTOR OF THE COMPANY:

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

"**RESOLVED THAT**, Mr. Karthikeyan T V (DIN 01367727), who had been appointed as an Additional Director of the Company with effect from 31st March, 2015 and who, in terms of Section 161 of the Companies Act, 2013, holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a Member signifying his intention to propose him as a candidate for the office of Director along with the necessary deposit as prescribed under Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

4. TO APPOINT DR. ESTHER MALINI (DIN 07124748) AS DIRECTOR OF THE COMPANY:

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

"**RESOLVED THAT**, Dr. Esther Malini (DIN 07124748), who had been appointed as an Additional Director of the Company with effect from 31st March, 2015 and who, in terms of Section 161 of the Companies Act, 2013, holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a Member signifying his intention to propose him as a candidate for the office of Director along with the necessary deposit as prescribed under Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. TO APPOINT MR. MANOJ KUMAR SINGH (DIN 05228599) AS DIRECTOR OF THE COMPANY:

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

"**RESOLVED THAT**, Mr. Manoj Kumar Singh (DIN 05228599), who had been appointed as an Additional Director of the Company with effect from 31st March, 2015 and who, in terms of Section 161 of the Companies Act, 2013, holds office upto the date of this Annual General

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Meeting and in respect of whom the Company has received a Notice in writing from a Member signifying his intention to propose him as a candidate for the office of Director along with the necessary deposit as prescribed under Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

6. **TO RATIFY THE REMUNERATION OF THE COST AUDITOR FOR THE YEAR 2015 - 16**
CONSIDERED AND APPROVED BY THE BOARD OF DIRECTORS OF THE COMPANY

To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION**:

"**RESOLVED THAT**, pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, rule 14 of the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost records and audit) Rules, 2014, remuneration of ₹. 25,000/- per annum plus service tax approved by the Board for Mr. K. Suryanarayanan (Membership No. 24946), a member of the Institute of Cost Accountant of India and a Cost Accountant in Practice, who was appointed as Cost Auditor of the Company to audit the cost records of the Company for the financial year 2015-16 during the Board meeting dated 20th July, 2015 be and is hereby ratified."

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

By the Order of the Board
For L&T RAJKOT- VADINAR TOLLWAY LIMITED



KARTHIKEYAN T V
DIRECTOR

DIN: 01367727

3RD FLOOR, SIRUSHTI SAMPRADHAYA,
NO. 46, 3RD TRUST CROSS STREET,
MANDAVELIPAKKAM, CHENNAI - 600028

DATE: 31st August, 2015

Notes:

1. THE RELATIVE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE BUSINESS UNDER ITEM NOS. 3, 4, 5 AND 6, SET OUT ABOVE IS ANNEXED HERETO.

2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. PROXY FORMS SHOULD BE SUBMITTED TO THE COMPANY 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORIZED REPRESENTATIVES TO ATTEND THE MEETING ARE REQUESTED TO SEND TO THE COMPANY A CERTIFIED COPY OF THE BOARD RESOLUTION AUTHORIZING THEIR REPRESENTATIVE TO ATTEND AND VOTE ON THEIR BEHALF AT THE MEETING.
4. ALL DOCUMENTS REFERRED TO IN THE ACCOMPANYING NOTICE AND THE EXPLANATORY STATEMENT SHALL BE OPEN FOR INSPECTION AT THE REGISTERED OFFICE OF THE COMPANY DURING BUSINESS HOURS EXCEPT ON HOLIDAYS, UP TO AND INCLUDING THE DATE OF THE ANNUAL GENERAL MEETING OF THE COMPANY.
5. DETAILS OF DIRECTORS/MANAGER SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON SEPTEMBER 23, 2015 ARE PROVIDED IN ANNEXURE A OF THIS NOTICE.

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the special businesses under Item Nos. 3, 4, 5 and 6 accompanying the Notice dated 31st August, 2015:

SPECIAL BUSINESS

Item no. 3:

The members are hereby informed that Mr. Karthikeyan T V was appointed as an Additional Director with effect from 31th March, 2015 and pursuant to the provisions of Section 161 of the Companies, Act 2013, he will hold the office of Additional Directorship until the conclusion of ensuing Annual general Meeting of the company.

Further, your Company has received a notice in writing from L&T Infrastructure Development Projects Limited, a member signifying his intention to propose Mr. Karthikeyan T V as a candidate for the office of Director along with the deposit of ₹. 1,00,000/- as specified under Section 160 of the Companies Act, 2013.

The appointment proposed in Item No. 3 is not affecting any other Company in the manner as prescribed in the provisions of section 102 of the Companies Act, 2013.

The above notice received from L&T Infrastructure Development Projects Limited shall be kept open for inspection in this regard and all other information pertaining to this item has been provided in this explanatory statement.

Hence, the Directors recommend the resolution at Item No. 3 as Ordinary Resolution for the approval of the Shareholders.

None of the Directors or the Key Managerial Personnel of the Company or their relatives, except Mr. Karthikeyan T V, are in any way concerned or interested in the said resolution.

Item no. 4:

The members are hereby informed that Dr. Esther Malini was appointed as an Additional Director with effect from 31th March, 2015 and pursuant to the provisions of Section 161 of the Companies, Act 2013, she will hold the office of Additional Directorship until the conclusion of ensuing Annual general Meeting of the company.

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Further, your Company has received a notice in writing from L&T Infrastructure Development Projects Limited, a member signifying his intention to propose Dr. Esther Malini as a candidate for the office of Director along with the deposit of ₹. 1,00,000/- as specified under Section 160 of the Companies Act, 2013.

The appointment proposed in Item No. 4 is not affecting any other Company in the manner as prescribed in the provisions of section 102 of the Companies Act, 2013.

The above notice received from L&T Infrastructure Development Projects Limited shall be kept open for inspection in this regard and all other information pertaining to this item has been provided in this explanatory statement.

Hence, the Directors recommend the resolution at Item No. 4 as Ordinary Resolution for the approval of the Shareholders.

None of the Directors or the Key Managerial Personnel of the Company or their relatives, except Dr. Esther Malini, are in any way concerned or interested in the said resolution.

Item no. 5:

The members are hereby informed that Mr. Manoj Kumar Singh was appointed as an Additional Director with effect from 31st March, 2015 and pursuant to the provision of Section 161 of the Companies, Act 2013, he will hold the office of Additional Directorship until the conclusion of ensuing Annual general Meeting of the company.

Further, your Company has received a notice in writing from L&T Infrastructure Development Projects Limited, a member signifying his intention to propose Mr. Manoj Kumar Singh as a candidate for the office of Director along with the deposit of ₹. 1,00,000/- as specified under Section 160 of the Companies Act, 2013.

The appointment proposed in Item No. 5 is not affecting any other Company in the manner as prescribed in the provisions of section 102 of the Companies Act, 2013.

The above notice received from L&T Infrastructure Development Projects Limited shall be kept open for inspection in this regard and all other information pertaining to this item has been provided in this explanatory statement.

Hence, the Directors recommend the resolution at Item No. 5 as Ordinary Resolution for the approval of the Shareholders.

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None of the Directors or the Key Managerial Personnel of the Company or their relatives, except Mr. Manoj Kumar Singh, are in any way concerned or interested in the said resolution.

Item no. 6:

Pursuant to the provisions of section 148 of the Companies Act, 2013, Companies (Audit and Auditors) Rules, 2014 and Companies (Cost records and audit) Rules, 2014, your company is required to appoint a Cost Auditor for the purpose of complying with the Cost Audit compliances under the Companies Act, 2013.

Consequently, the Board of your company had appointed Mr. K. Suryanarayanan, a member of the Institute of Cost Accountant of India and a Cost Accountant in Practice, as the Cost Auditor of the company for the financial year 2015-16 at a remuneration of ₹ 25,000/- per annum plus service tax during the Board meeting held on 20th July, 2015.

Further, as per rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditor is required to be ratified by the shareholders of the Company at a General meeting.

The proposed ratification of remuneration of the Cost Auditor referred above will in no way be detrimental to the interest of any member or Public or Employees or any other person whosoever associated with the Company in any manner whatsoever.

There are no further documents which needs to be kept open for inspection in this regard and all the information connected to this item has been provided in this explanatory statement.

Hence, the Directors recommend the resolution at Item No. 6 as an Ordinary Resolution for the approval of the Shareholders.

None of the Directors or the Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolutions.

By the Order of the Board
For L&T RAJKOT- VADINAR TOLLWAY LIMITED



KARTHIKEYAN T V
DIRECTOR

DIN: 01367727

3RD FLOOR, SIRUSHTI SAMPRADHAYA,
NO. 46, 3RD TRUST CROSS STREET,
MANDAVELIPAKKAM, CHENNAI - 600028.

DATE: 31st August, 2015

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Annexure A

Details of the Directors/Manager seeking Appointment/ Re-Appointment in the forthcoming Annual General Meeting

Name of Director	Mr. Karthikeyan T. V	Mr. Manoj Kumar Singh	Dr. Esther Malini
Date of Birth	March 29, 1964	April 18, 1964	April 28, 1969
Date of Appointment on the Board	March 31, 2015	March 31, 2015	March 31, 2015
Qualification	B.Com , ACA,ACS	B. Sc., B.E (Civil), M. Tech	B.E(Civil) , M.E (Urban Engineering , Ph. D in Management Studies
Terms and Conditions of appointment and Remuneration	To be appointed as a Non-Executive Director, liable to retire by rotation with nil remuneration.	To be appointed as a Non-Executive Director, liable to retire by rotation with nil remuneration.	To be appointed as a Non-Executive Director, liable to retire by rotation with nil remuneration.
Experience	29 years of experiences	25 years of experiences	Research Experience-5 Years, Corporate Experience -17 Years
Directorships in other companies	1. Kudgi Transmission Limited 2. L&T Samakhiali Gandhidham Tollway Limited 3. L&T Devihalli Hassan Tollway Limited 4. L&T Ahmedabad-Maliya Tollway Limited 5. L&T Halol - Shamlaji Tollway Limited 6. L&T Transportation Infrastructure Limited 7. PNG Tollway Limited 8. L&T Deccan Tollways Limited	1. L&T Western Andhra Tollways Limited 2. L&T Krishnagiri Thopur Toll Road Limited 3. L&T Panipat Elevated Corridor Limited 4. L&T BPP Tollway Limited 5. L&T Ahmedabad-Maliya Tollway Limited 6. L&T Halol - Shamlaji Tollway Limited 7. L&T Sambalpur-Rourkela Tollway Limited	1. L&T Panipat Elevated Corridor Limited 2. L&T Interstate Road Corridor Limited 3. L&T Krishnagiri Thopur Toll Road Limited 4. L&T Krishnagiri Walajahpet Tollway Limited 5. L&T Ahmedabad-Maliya Tollway Limited 6. L&T Halol - Shamlaji Tollway Limited
Number of Board Meetings attended during the year	Nil	Nil	Nil

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Memberships/ Chairmanships of committees across all companies	<p>Member Audit Committee</p> <ol style="list-style-type: none"> 1. Kudgi Transmission Limited 2. L&T Ahmedabad-Maliya Tollway Limited 3. L&T Halol - Shamlaji Tollway Limited 4. L&T Transportation Infrastructure Limited 5. L&T Samakhiali Gandhidham Tollway Limited 6. PNG Tollway Limited <p>Nomination and Remuneration Committee</p> <ol style="list-style-type: none"> 1. Kudgi Transmission Limited 2. PNG Tollway Limited 3. L&T Ahmedabad-Maliya Tollway Limited 4. L&T Halol - Shamlaji Tollway Limited 5. L&T Transportation Infrastructure Limited <p>Corporate Social Responsibility Committee</p> <ol style="list-style-type: none"> 1. L&T Samakhiali Gandhidham Tollway Limited 2. L&T Transportation Infrastructure Limited 	Nil	<p>Member Audit Committee</p> <ol style="list-style-type: none"> 1. L&T Krishnagiri Thopur Toll Road Limited <p>Nomination and Remuneration Committee</p> <ol style="list-style-type: none"> 1. L&T Krishnagiri Thopur Toll Road Limited <p>Corporate Social Responsibility Committee</p> <ol style="list-style-type: none"> 1. L&T Interstate Road Corridor Limited
Shareholding in the Company	Holding 1 Share jointly with L&T Infrastructure Development Projects Limited	Nil	Nil
Relationship with other Directors/KMPs	Nil	Nil	Nil

BOARD'S REPORT

The Directors of your Company are pleased to present their Report and the Company's audited financial statement for the financial year ended March 31, 2015.

FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2015 is summarised below:

Particulars	2014-15	2013-14
	₹ Crore	₹ Crore
Profit / (loss) before depreciation, exceptional and extra ordinary items & tax	(54.22)	(55.95)
Less: Depreciation, amortization and obsolescence	16.97	(43.42)
Profit / (loss) before exceptional and extraordinary items and tax	(71.19)	(12.53)
Add: Exceptional items	–	–
Profit / (Loss) before extraordinary items and tax	(71.19)	(12.53)
Add: Extraordinary items	–	–
Profit / (loss) before tax	(71.19)	(12.53)
Less: Provision for tax	–	–
Profit / (loss) for the period carried to the balance sheet	(71.19)	(12.53)
Add: Balance brought forward from previous year	(141.95)	(129.42)
Balance carried to Balance Sheet	(213.14)	(141.95)

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The total income including other income for the financial year under review was ₹ 101.61 Crore as against ₹ 82.25 Crore in the previous year. The gross toll collections grew by 25.23% over the previous year thereby bringing down the net losses for the year under review. The Company has been rated CARE BBB by CARE Limited, an independent professional investment information and credit rating agency in India.

CAPITAL EXPENDITURE:

As at March 31, 2015 the gross fixed and intangible assets including leased assets, stood at ₹ 1055.20 Crore and the net fixed and intangible assets, including leased assets, at ₹ 1009.85 crore. Capital Expenditure incurred during the year amounted to ₹ 0.02 Crore.

DEPOSITS

The Company has not accepted deposits from the public and no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The Company did not have any requirement to transfer funds to Investor Education and Protection Fund during the year.

SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

The Company does not have any Subsidiary/Associate/Joint Venture Company.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY

Since the Company is engaged in the business of developing infrastructure facility, the provisions of Section 186 except sub-section (1) are not applicable to the Company. However the details of loans given, investments made and guarantees/securities provided by the Company are given in the Notes to financial statement.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions were in the ordinary course of business and at arm's length.

All related party transactions (RPT) during the year have been approved in terms of the Companies Act, 2013. The Company will adhere to the RPT Policy of the Holding Company and guidelines thereunder.

Details of material contracts or arrangements which are at arm's length are provided in Annexure II to this Report.

AMOUNT TRANSFERRED TO RESERVES

Appropriation of profits to any specific reserve is not applicable to the Company.

DIVIDEND

As your Company does not have distributable profits, the Board of Directors are unable to declare any dividend for the year under review.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

No material changes and commitments have occurred affecting the financial position of the Company between the end of the financial year and the date of this report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status of the Company and the Company's operations in future.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

In view of the nature of activities which are being carried on by the Company, Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, conservation of energy and technology absorption does not apply to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year the Company has incurred a sum of ₹.0.14 Crore on foreign currency expenditure towards purchase of Highway traffic management system, toll software and spares.

There were no foreign exchange earnings during the year.

RISK MANAGEMENT POLICY

The Risk Management Policy of the Holding Company is applicable to our Company.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The Internal Audit functions are carried out by the M/s. Grant Thornton. The Internal Auditors monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of internal audit function, process owners undertake corrective action, as may be required, in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions, if any are presented to the Audit Committee of the Board.

CORPORATE SOCIAL RESPONSIBILITY

Since your Company does not exceed any of the threshold limits specified under section 135 of the Companies Act 2013, it is not required to spend any amount on account of Corporate Social Responsibility under the said act during the year under review.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL ("KMP") APPOINTED/RESIGNED DURING THE YEAR

CHANGES IN DIRECTORS AND KMP

Mr. Karthikeyan T V has been appointed as Additional Director of the Company on 31st March, 2015.

Dr. Esther Malini has been appointed as Additional Director of the Company on 31st March, 2015.

Mr. Manoj Kumar Singh has been appointed as Additional Director of the Company on 31st March, 2015.

Dr. K N Satyanarayana has been appointed as Independent Director for a term of five years with effect from 31st March, 2015.

Mr. K P Raghavan has been appointed as Independent Director of the Company for a term of five years with effect from 31st March, 2015.

Mr. T S Venkatesan resigned as Director of the Company on 31st March, 2015. The Directors record their sincere appreciation and deep gratitude for the invaluable contribution made by him towards the development of the Company during his tenure as Director.

Mr. Manoj Anil Dave resigned as Director of the Company on 31st March, 2015. The Directors record their sincere appreciation and deep gratitude for the invaluable contribution made by him towards the development of the Company during his tenure as Director.

Mr. B Ramakrishnan resigned as Director of the Company on 31st March, 2015. The Directors record their sincere appreciation and deep gratitude for the invaluable contribution made by him towards the development of the Company during his tenure as Director.

Mr. Sendil Prabakaran T V has been appointed as Chief Financial Officer (CFO) of the Company on 28th October, 2014 in terms of Section 203 of the Companies Act, 2013.

Mr. Debendra Kumar Barik has been appointed as Manager of the Company on 28th October, 2014 in terms of Section 196 and 203 of the Companies Act, 2013.

The Board of Directors of the Company as on March 31, 2015 are as follows:

Sr.No.	Name	Designation
1	Mr. Karthikeyan T V	Additional Director
2	Dr. Esther Malini	Additional Director
3	Mr. Manoj Kumar Singh	Additional Director
4	Dr. K N Satyanarayana	Independent Director

5	Mr. K P Raghavan	Independent Director
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The Key Managerial Personnel (KMP) of the Company as on March 31, 2015 are as given below:

Sr. No.	Name	Designation
1	Mr. Sendil Prabakaran T V	Chief Financial Officer
2	Mr. Debendra Kumar Barik	Manager

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. Additional Meetings of the Board of Directors are held as per business requirement.

During the year five Board Meetings were held. The details of the Board meetings conducted during the year under review are given below:

Date	Board Strength	No of Directors Present
6th May, 2014	3	3
14th July, 2014	3	2
28th October, 2014	3	2
23rd February, 2015	3	2
31st March, 2015	3	3

The Agenda of the Meeting is circulated in advance to the Directors. Minutes of the Meetings of the Board of Directors are drafted and circulated amongst the Members of the Board for their perusal.

AUDIT COMMITTEE

The Company has constituted an Audit Committee in terms of the requirements of the Companies Act, 2013 comprising of Dr. K N Satyanarayana, Mr. K P Raghavan and Mr. Karthikeyan T V as the members of the Committee.

During the year, four audit committee meetings were held. The details of the meetings conducted during the year under review are given below:

Date	Strength of the Committee	No. of members present
6th May, 2014	3	3
14th July, 2014	3	2
28th October, 2014	3	2
23rd February, 2015	3	2

In accordance with the requirements of the Companies Act, 2013, the Company has established a Vigil Mechanism framework for Directors and employees to report genuine concerns. The Compliance Officer of the Holding Company is the co-ordinator for the Vigil Mechanism and is responsible for receiving, validating, investigating and reporting to the Audit Committee during the year.

The Whistle Blower Policy of the Company meets the requirement of the Vigil Mechanism framework under the Companies Act, 2013.

COMPANY'S POLICY ON DIRECTOR APPOINTMENT AND REMUNERATION

The Company had constituted the Nomination and Remuneration Committee in accordance with the requirements of the Companies Act, 2013 read with the Rules made thereunder comprising of Dr. K N Satyanarayana, Mr. K P Raghavan and Mr. Karthikeyan T V as the members of the Committee.

The Committee had formulated a policy on Director's appointment and remuneration including recommendation of remuneration of the KMP and the criteria for determining qualifications, positive attributes and independence of a Director.

DECLARATION OF INDEPENDENCE

The Company has received a declaration of independence as stipulated under Section 149(7) of the Companies Act, 2013 confirming that he/she is not disqualified from continuing as an Independent Director.

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form No. MGT – 9 is enclosed as Annexure I to this Report.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirm that:

- In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- The Directors have 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 or loss of

L&T RAJKOT - VADINAR TOLLWAY LIMITED

the Company for that period.

- c. The Directors have 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 have prepared the Annual Accounts on a going concern basis.
- e. The Directors have laid down an adequate system of internal financial control with respect to reporting on financial statement and the said system is operating effectively.
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS

The Company had appointed Independent Directors only on 31st March 2015. Hence, this process is being taken up in this calendar year.

DISCLOSURE OF REMUNERATION

There are no employees in the company covered by the provisions of the sub rule 2 of rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

M/s. Gianender and Associates, who are currently the statutory auditors, shall hold office until the conclusion of the ensuing Annual General Meeting ("AGM"). The Company is required to finalize its' Statutory Auditor for the Financial year 2015-16, out of the panel of Auditors suggested by Gujarat State Road Development Corporation Limited (GSRDC), which is yet to be issued by GSRDC.

The Auditors' Report for the financial year 2014-15 is unqualified. The Notes to the accounts referred to in the Auditors' Report are self-explanatory and do not call for any further clarifications under section 134(3)(f) of the Companies Act, 2013.

SECRETARIAL AUDITORS

M/s. M. Alagar & Associates, a firm of Company Secretaries in practice, Chennai, was appointed to conduct the secretarial audit of the Company for the financial year 2014-15, as required under Section 204 of the Companies Act, 2013 and Rules thereunder.

The secretarial audit report for the financial year 2014-15 is attached as Annexure III to this Report and it does not contain any qualification, reservation or adverse mark.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the employees, Financial Institutions, Banks, Central and State Government authorities, Regulatory authorities, and all the various stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

Place : Chennai

Date : April 27, 2015

KARTHIKEYAN T V

Director
DIN: 01367727

ESTHER MALINI VICTOR

Director
DIN: 07124748

ANNEXURE I**FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	U45203TN2008PLC069184
Registration Date	08/09/2008
Name of the Company	L&T RAJKOT - VADINAR TOLLWAY LIMITED
Category / Sub-Category of the Company	Company Limited by shares/Indian Non-government Company
Address of the Registered office and contact details	P.O.BOX.979, MOUNT POONAM ALLEE ROAD, MANAPAKKAM, CHENNAI- 600089
Whether listed company Yes / No	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharepro Services India Pvt. Ltd., 13 AB, Samitha Warehousing Complex, 2nd Floor, Saki Naka Telephone Exchange Lane, Sakinaka, Andheri East Mumbai – 400072 (Phone: +91 22 67720329)Mobile: +919833515383

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Construction and maintenance of motorways, streets, roads, other vehicular and pedestrian ways, highways, bridges, tunnels and subways	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of Shares held	Applicable Section
1	L&T Infrastructure Development Projects Limited	U65993TN2001PLC046691	Holding	99.99%	2(46)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	109999994	6*	110000000	100	109999994	6*	110000000	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	109999994	6*	110000000	100	109999994	6*	110000000	100	-
2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	109999994	6*	110000000	100	109999994	6*	110000000	100	-

L&T RAJKOT - VADINAR TOLLWAY LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	109999994	6*	110000000	100	109999994	6*	110000000	100	-

* Shares are held by nominees of L&T Infrastructure Development Projects Limited.

(ii) Shareholding of Promoters

SI No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Share	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	L&T Infrastructure Development Projects Limited(with nominees)	109999900	99.99%	0.00%	109999900	99.99%	0.00%	0.00%
2	Larsen & Toubro Limited	100	0.01%	0.00%	100	0.01%	0.00%	0.00%
	Total	110000000	100%	0.00%	110000000	100%	0.00%	0.00%

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	110000000	100%	110000000	100%
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc):	0	0.00%	0	0.00%
3	At the End of the year	110000000	100%	110000000	100%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1	At the beginning of the year	–	–	–	–
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
3	At the End of the year (or on the date of separation, if separated during the year)	–	–	–	–

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1	At the beginning of the year	–	–	–	–
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
3	At the End of the year (or on the date of separation, if separated during the year)	–	–	–	–

V. INDEBTEDNESS

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

(Amount in ₹ Crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	826.79	189.17	–	1015.96
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	0.17	4.16	–	4.33
Total (i+ii+iii)	826.96	193.33	–	1020.29
Change in Indebtedness during the financial year				
Addition	0.23	26.24	–	26.47
Reduction	1.66	–	–	1.66
Net Change	1.43	26.24	–	24.81
Indebtedness at the end of the financial year				
i) Principal Amount	825.13	208.12	–	1033.25
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	0.40	11.45	–	11.85
Total (i+ii+iii)	825.53	219.57	–	1045.10

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ Crore

Sl. no.	Particulars of Remuneration	Name of MD/WT/ Manager	Total Amount
		Manager: Mr. Debendra Kumar Barik	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.11 Crore	0.11 Crore
2.	Stock Option	–	–
3.	Sweat Equity	–	–
4.	Commission		
	- as % of profit	–	–
	- others, specify...		
5.	Others, please specify	–	–
	Total (A)	0.11 Crore	0.11 Crore
	Ceiling as per the Act	0.67 Crore	0.67 Crore

B. Remuneration to other directors:

₹ Crore

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Dr. K. N. Satyanarayana	Mr. K. P. Raghavan		
	Independent Directors				
	Fee for attending board / committee meetings				
	Commission				
	Others, please specify	Nil	Nil		Nil
	Total (1)	Nil	Nil		Nil
		Mr. Karthikeyan T V	Dr. Esther Malini	Mr. Manoj Kumar Singh	
	4. Other Non-Executive Directors				
	Fee for attending board / committee meetings				
	Commission				
	Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B) = (1 + 2)	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	–	–	–	–
	Overall Ceiling as per the Act	Not more than ₹ 0.01/- per meeting of Board or Committee.	Not more than ₹ 0.01/- per meeting of Board or Committee.	Not more than ₹ 0.01/- per meeting of Board or Committee.	–

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
				Mr. Sendil Prabakaran T. V.	
1.	Gross salary	NA	NA	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2.	Stock Option	–	–	–	–
3.	Sweat Equity	–	–	–	–
4.	Commission	–	–	–	–
	- as % of profit				
	- others, specify...				
5.	Others, please Specify	–	–	–	–
	Total	NA	NA	Nil	Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board

Place : Chennai
Date : April 27, 2015

KARTHIKEYAN T V
Director
DIN: 01367727

ESTHER MALINI VICTOR
Director
DIN: 07124748

ANNEXURE II**FORM NO. AOC.2**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

The Company has not entered into such transactions during the year.

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

The Company has not entered into such transactions during the year.

Name of the related party	Nature of relationship	Nature of contract/ arrangement/ transactions	Duration of contract/ arrangement/ transactions	Salient terms of contract/ arrangement/ transactions	Amount paid as advance
Nil	Nil	Nil	Nil	Nil	Nil
Nil	Nil	Nil	Nil	Nil	Nil
Nil	Nil	Nil	Nil	Nil	Nil

Date(s) of approval by the Board, if any –27th April 2015

For and on behalf of the Board

Place : Chennai

Date : April 27, 2015

KARTHIKEYAN T V

Director
DIN: 01367727

ESTHER MALINI VICTOR

Director
DIN: 07124748

ANNEXURE III**FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR 2014-15**

To,
The Members,
L&T RAJKOT - VADINAR TOLLWAY LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **L&T RAJKOT - VADINAR TOLLWAY LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **L&T RAJKOT - VADINAR TOLLWAY LIMITED** 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 authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the year ended March 31, 2015 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the year ended March 31, 2015 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder – Not Applicable;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder - Not Applicable;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not Applicable;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- Not Applicable;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 - Not Applicable;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not Applicable;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not Applicable;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not Applicable ;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not Applicable;
2. We further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable labour & industrial laws, Environmental laws, rules, regulations and guidelines. The list of labour and industrial laws covered under the internal compliance report by the company are as follows :-
 - A. Bonded Labour System (Abolition) Act, 1976
 - B. Industrial Disputes Act, 1947
 - C. The Child Labour (Prohibition And Regulation) Act, 1986
 - D. The Employees Provident Fund Scheme, 1952 (There is mentioning about ECR)
 - E. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
 - F. The Equal Remuneration Act, 1976
 - G. The Industrial Employment (Standing Orders) Act, 1946
 - H. The Contract Labour (Regulation And Abolition) Act, 1970
 - I. The Minimum Wages Act, 1948 And The Minimum Wages (Central) Rules, 1950
 - J. The Payment of Bonus Act, 1965
 - K. The Payment Of Gratuity Act, 1972
 - L. The Payment Of Wages Act, 1936

L&T RAJKOT - VADINAR TOLLWAY LIMITED

- M. The Personal Injuries (Compensation) Insurance Act, 1963
 - N. Information Technology Act, 2000
 - O. Electricity Rules, 1956
 - P. Motor Vehicles Act, 1988
 - Q. Shops And Establishments Act And State Rules
 - R. The Prohibition Of Smoking In Public Places Rules, 2008
 - S. Water (Prevention and Control of Pollution) Act, 1974 & Water (Prevention and Control of Pollution) Rules, 1975
3. We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
4. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to at least seven days in advance.
5. We further report that during the audit period, there are no instances of:
- i. Public / Rights / Preferential issue of shares / debentures / sweat equity.
 - ii. Redemption / buy-back of securities.
 - iii. Merger / amalgamation / reconstruction etc.
 - iv. Foreign technical collaborations.

For **M. ALAGAR & ASSOCIATES**

M. ALAGAR
FCS No: 7488
C P No.: 8196

Place : Chennai
Date : 22.04.2015

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF L&T RAJKOT VADINAR TOLLWAY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **L&T RAJKOT VADINAR TOLLWAY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2015,
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) In case of the Cash flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors, as on 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company does not have any pending litigations which would impact its financial position.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **GIANENDER & ASSOCIATES**
Chartered Accountants
(Firm Regn. No. 004661N)

PUNEET KUMAR
Partner
M. No: 531830

Place : Chennai
Date : April 27, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

Re: L & T Rajkot Vadinar Tollway Limited

- i. a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) The Company has a phased programme of physical verification of fixed assets which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. In accordance with this programme, the management has verified fixed assets during the year and no serious discrepancies have been noticed on such verification.
- ii. The Company is engaged in the business of infrastructure development and maintenance and hence Para 3 (ii), (a), (b) and (c) of the Companies (Auditor's Report) Order 2015 relating to inventory are not applicable.
- iii. The Company has not granted secured / unsecured loans to parties covered in the register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the internal control procedures are generally adequate and commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and for toll collection. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year. Therefore, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable to the Company.
- vi. According to the information and explanations given to us, we are of the opinion that prima facie, cost records prescribed, pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 of the Act, are made and maintained.
- vii. a) The Company is generally regular in depositing undisputed statutory dues relating to provident fund, income tax deducted at source, service tax and value added tax. We are informed that the provisions of employees' state insurance, wealth tax, duty of customs, duty of excise, cess is not applicable to the Company. As per the records produced before us, there are no undisputed statutory dues which were outstanding as on 31st March 2015 for a period over six months from the date of same becoming payable.
b) According to the information and explanations given to us, there are no statutory dues pending in respect of income tax, sales tax, value added tax, service tax, duty of customs, wealth tax, duty of excise, cess on account of any dispute.
c) According to the information and explanations given to us, no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder.
- viii. The Company's accumulated losses at the end of the financial year are not less than fifty per cent of its net worth and it has incurred cash losses in such financial year and in the immediately preceding financial year.
- ix. The Company has not issued any debentures and not defaulted in repayment of dues to financial institutions or banks.
- x. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. In our opinion, the term loans were applied for the purpose for which they were raised.
- xii. According to information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **GIANENDER & ASSOCIATES**
Chartered Accountants
(Firm Regn. No. 004661N)

PUNEET KUMAR
Partner
M. No: 531830

Place : Chennai
Date : April 27, 2015

BALANCE SHEET AS AT MARCH 31, 2015

	Note no.	As at March 31, 2015		As at March 31, 2014	
		₹	₹	₹	₹
EQUITY AND LIABILITIES:					
Shareholders' funds					
Share capital	A	1,100,000,000		1,100,000,000	
Reserves and surplus	B	(2,131,427,640)		(1,419,494,503)	
			(1,031,427,640)		(319,494,503)
Non-current liabilities					
Long-term borrowings	C(I)	10,314,994,275		10,143,014,287	
Other Long-term liabilities	C(II)	114,473,926		41,594,997	
Long-term provisions	C(III)	217,122,764		60,308,700	
			10,646,590,965		10,244,917,984
Current liabilities					
Trade payables	D(I)	5,005,965		5,801,468	
Other current liabilities	D(II)	496,941,691		382,996,840	
Short-term provisions	D(III)	121,915		213,321	
			502,069,571		389,011,629
TOTAL			10,117,232,896		10,314,435,110
ASSETS					
Non-current assets					
Fixed assets					
Tangible assets	E(I)	147,574,656		184,649,920	
Intangible assets	E(II)	9,950,886,057		10,084,349,016	
			10,098,460,713		10,268,998,936
Long-term loans and advances	F		2,050,648		1,759,197
Current assets					
Current investments	G(I)	—		1,000,000	
Cash and bank balances	G(II)	9,001,240		34,163,446	
Short-term loans and advances	G(III)	6,055,177		5,993,274	
Other Current Assets	G(IV)	1,665,118		2,520,257	
			16,721,535		43,676,977
TOTAL			10,117,232,896		10,314,435,110
CONTINGENT LIABILITIES					
COMMITMENTS					
OTHER NOTES FORMING PART OF ACCOUNTS					
SIGNIFICANT ACCOUNTING POLICIES					

As per our report attached

For and on behalf of the Board of

For **GIANENDER & ASSOCIATES**
Chartered Accountants
Firm Regn. No. 004661N
by the hand of

PUNEET KUMAR
Partner
Membership No.: 531830

T. V. SENDIL PRABHAKARAN
CFO

KARTHIKEYAN T. V.
Director
DIN: 01367727

ESTHER MALINI VICTOR
Director
DIN: 07124748

Place : Chennai
Date : April 27, 2015

Place : Chennai
Date : April 27, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

	Note No.	2014-15	2013-14
		₹	₹
REVENUE			
Revenue from Operations	J	857,457,706	692,761,907
Other income	K	5,896,421	15,800,350
Total Revenue		863,354,127	708,562,257
EXPENSES			
Operating expenses	L	299,285,028	206,347,509
Employee benefit expenses	M	18,086,215	18,713,038
Finance costs	N	1,065,212,960	1,019,075,050
Depreciation and amortisation	E	169,749,234	(434,200,055)
Administration and other expenses	O	22,953,827	23,951,856
Total Expenses		1,575,287,264	833,887,398
Profit/(loss) before tax		(711,933,137)	(125,325,141)
Tax Expense:			
Current tax	P(7)	—	—
Deferred tax	P(7)	—	—
Profit/(loss) after tax		(711,933,137)	(125,325,141)
Earnings per equity share (Basic and Diluted)	P(8)	(6.47)	(1.14)
Face value per equity share		10.00	10.00
Other notes forming part of accounts	P		
Significant accounting policies	Q		

As per our report attached

For and on behalf of the Board of

For **GIANENDER & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 004661N

by the hand of

PUNEET KUMAR

Partner

Membership No.: 531830

T. V. SENDIL PRABHAKARAN

CFO

KARTHIKEYAN T. V.

Director

DIN: 01367727

ESTHER MALINI VICTOR

Director

DIN: 07124748

Place : Chennai

Date : April 27, 2015

Place : Chennai

Date : April 27, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	2014-15 ₹	2013-14 ₹
A NET PROFIT / (LOSS) BEFORE TAX AND EXTRAORDINARY ITEMS	(711,933,137)	(125,325,141)
Adjustment for		
Depreciation and amortisation expense	169,749,234	(434,200,055)
Interest expense	1,065,212,960	1,019,075,050
Interest income	(34,371)	(273,261)
Net gain on sale of investment	(2,997,822)	(13,761,202)
Operating profit before working capital changes	519,996,864	445,515,391
Adjustments for:		
Increase / (Decrease) in liabilities and provisions	266,684,860	(314,515,892)
(Increase) / Decrease in loans and advances	501,785	(2,344,655)
Net cash generated from/(used in) operating activities	787,183,509	128,654,844
Direct taxes paid (net of refunds)	-	-
Net Cash(used in)/generated from Operating Activities	787,183,509	128,654,844
B CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) / Sale of fixed assets	788,989	(1,351,754)
Purchase of current investments	(795,500,000)	(1,000,000)
Sale of current investments	799,497,822	-
Interest received	34,371	14,034,463
Net cash (used in)/generated from investing activities	4,821,182	11,682,709
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	189,500,000	827,537,115
Repayment of long term borrowings	(16,643,988)	(876,048)
Interest paid	(990,022,909)	(1,019,075,050)
Net cash (used in)/generated from financing activities	(817,166,897)	(192,413,983)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(25,162,206)	(52,076,430)
Cash and cash equivalents as at the beginning of the year	34,163,446	86,239,876
Cash and cash equivalents as at the end of the year	9,001,240	34,163,446

- Notes:**
- Cash flow statement has been prepared under the 'Indirect Method'.
 - Cash and cash equivalents represent Cash, Bank Balances, Fixed Deposits with less than 3 months maturity period and Margin Money Deposits.
 - Previous year's figures have been regrouped/reclassified wherever applicable.
 - Components of cash and cash equivalents :-

Particulars	₹	₹
Balances with banks:		
-on current account	1,218,395	3,410,196
-on Fixed Deposits with less than 3 months maturity	-	21,313,652
-Margin money deposit	136,711	120,943
Cash in hand and transit	7,646,134	9,318,655
	9,001,240	34,163,446

As per our report attached

For and on behalf of the Board of

For **GIANENDER & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 004661N

by the hand of

PUNEET KUMAR

Partner

Membership No.: 531830

T. V. SENDIL PRABHAKARAN

CFO

KARTHIKEYAN T. V.

Director

DIN: 01367727

ESTHER MALINI VICTOR

Director

DIN: 07124748

Place : Chennai

Date : April 27, 2015

Place : Chennai

Date : April 27, 2015

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	₹	No. of Shares	₹
NOTE A: SHARE CAPITAL				
(i) Authorised, issued, subscribed and paid up				
Authorised:				
Equity Shares of ₹ 10/- each	110,000,000	1,100,000,000	110,000,000	1,100,000,000
Issued, subscribed and Paid up				
Equity Shares of ₹ 10/- each fully paid up	110,000,000	1,100,000,000	110,000,000	1,100,000,000
(ii) Reconciliation of the number of equity shares and share capital issued, subscribed and paid-up:				
Equity Shares:				
At the beginning of the year	110,000,000	1,100,000,000	110,000,000	1,100,000,000
Issued during the year as fully paid	—	—	—	—
Outstanding at the end of the year	110,000,000	1,100,000,000	110,000,000	1,100,000,000
(iii) Terms / Rights attached to Equity Shares:				
The Company has only one class of equity share having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.				
The Company has not issued any securities during the year with the right/option to convert the same into equity shares at a later date.				
The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.				
The shares issued carry equal rights to dividend declared by the Company and no restrictions are attached to any class of shareholder.				
No dividend has been declared by the Board of Directors for the year ended 31st March 2015 (Previous Year ₹ Nil)				
(iv) Details of Shares held by Holding Company/Ultimate Holding Company/its Subsidiaries and/or their Associates:				
Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	₹	No. of Shares	₹
Holding Company				
L&T Infrastructure Development Projects Limited (including nominee holding)	109,999,900	1,099,999,000	109,999,900	1,099,999,000
Ultimate Holding Company				
Larsen and Toubro Limited	100	1,000	100	1,000
	110,000,000	1,100,000,000	110,000,000	1,100,000,000
(v) Details of Shareholders holding more than 5% shares in the Company:				
Particulars	As at 31.03.2015		As at 31.03.2014	
	No of Shares	%	No of Shares	%
L&T Infrastructure Development Projects Limited (including nominees holding)	109,999,900	100	109,999,900	100
(vi) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL				
(vii) Calls unpaid : NIL; Forfeited Shares : NIL				

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

	As at March 31, 2015		As at March 31, 2014	
	₹	₹	₹	₹
NOTE B : RESERVES & SURPLUS				
Surplus/(Deficit) as per Statement of Profit and loss:				
As per last Balance Sheet	(1,419,494,503)		(1,294,169,362)	
Add: Profit/(Loss) for the year	(711,933,137)		(125,325,141)	
	(2,131,427,640)		(1,419,494,503)	
TOTAL	(2,131,427,640)		(1,419,494,503)	

NOTE C(I) : LONG TERM BORROWINGS

a) Term loans from banks (Secured) (Refer notes C(I)(a) , (b) and (c))	8,233,794,275	8,251,314,287
b) Loans and advances from related parties (Unsecured) Mezzanine Debt from Holding Company Loan from Holding Company	1,100,000,000 981,200,000	1,100,000,000 791,700,000
TOTAL	10,314,994,275	10,143,014,287

C(I)(a) Details of term loans as at March 31st , 2015:

Particulars	Rate of Interest As at 31.03.2015	Terms of Repayment
Term Loan from Bank	Base rate of Yes bank + Applicable Spread	Repayable in 141 unequal monthly instalments from December 2012 to August 2024 at specified amounts.
Loan from Holding Company	RBI Bank rate	Unsecured Loan shall not be repaid before secured obligations are fully discharged to the complete satisfaction of lenders.
Mezzanine from Holding Company	Interest free loan	The Mezzanine Debt from the Holding Company is a part of the Promoter's Contribution towards the Project cost and defined as required equity consideration as per Common Loan Agreement.

C(I)(b) Nature of Security

A pari passu on all the immovable and movable properties of the Company relating to the Project, both present and future except Project Assets as defined in the Concession Agreement and hypothecation of tangible movable properties both present and future including all bank accounts of the Company and all Authorized investments or other securities representing all amounts credited in the bank accounts, book debts, uncalled share capital, intangible assets etc.

51% of the shares of the Company held by L&T Infrastructure Development Projects Limited are pledged with Term lenders .

	As at March 31, 2015		As at March 31, 2014	
	₹	₹	₹	₹
C(I)(c) Presentation of term loans in the Balance sheet is as follows:				
(i) Long term borrowings	8,233,794,275		8,251,314,287	
(ii) Current maturities of long term borrowings	17,520,000		16,643,976	
TOTAL	8,251,314,275		8,267,958,263	

NOTE C(II) Other long-term liabilities

Interest accrued but not due on unsecured loan	114,473,926	41,594,997
TOTAL	114,473,926	41,594,997

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

	As at March 31, 2015		As at March 31, 2014	
	₹	₹	₹	₹
NOTE C(III) Long-term provisions				
Provision for Employee Benefits				
Gratuity (Refer Note P(3)(ii))		669,097		421,445
Compensated absences		954,667		513,255
Others				
Major Maintenance (Refer Note P(10)(b))		215,499,000		59,374,000
TOTAL		<u>217,122,764</u>		<u>60,308,700</u>

NOTE D(I) TRADE PAYABLES

Due to related parties : Holding Company	772,812	591,089
Due to Others	4,233,153	5,210,379
TOTAL	<u>5,005,965</u>	<u>5,801,468</u>

NOTE D(I)(A)

There have been no claimed transactions during the year (previous year: ₹ Nil) with Micro and small enterprises covered under the Micro, Small and Medium enterprises Development (MSMED) Act, 2006. Hence reporting details of principal and interest paid/outstanding does not arise.

	As at March 31, 2015		As at March 31, 2014	
	₹	₹	₹	₹
NOTE D(II) OTHER CURRENT LIABILITIES:				
Current maturities of long term debt (Refer note C(I)(c))		17,520,000		16,643,976
Interest accrued but not due on borrowings		4,001,896		1,690,774
Statutory liabilities		3,747,112		11,265,128
GSRDC Share payable and Interest accrued thereon (Refer note P(11))		147,916,677		11,055,603
Other liabilities :				
Due to others	323,551,023		339,474,629	
Due to Related Party				
Ultimate holding company	—		2,866,730	
Holding company	200,000			
Fellow Subsidiaries	4,983		—	
		<u>323,756,006</u>		<u>342,341,359</u>
TOTAL		<u>496,941,691</u>		<u>382,996,840</u>

NOTE D(III) SHORT TERM PROVISIONS:

Provision for employee benefits				
Gratuity (Refer Note P(3)(ii))	5,624		8,938	
Compensated absences	52,927		35,622	
Bonus	63,364		168,761	
		<u>121,915</u>		<u>213,321</u>
TOTAL		<u>121,915</u>		<u>213,321</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE E(I) : TANGIBLE ASSETS

Particulars	Cost				Depreciation				Book Value	
	As at 01.04.2014	Additions	Deductions	As at 31.03.2015	Upto March 31, 2014	For the year	Deductions	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Owned										
Plant and Equipment	37,949,830	—	70,770	37,879,060	10,241,107	3,811,235	25,594	14,026,748	23,852,312	27,708,723
Toll Collection System	196,864,422	—		196,864,422	59,709,510	28,304,823		88,014,333	108,850,089	137,154,912
Computers & Laptops	2,269,326	20,035	230,746	2,058,615	1,433,892	716,365	192,060	1,958,197	100,418	835,434
Office Equipment	1,988,184	—	3,772	1,984,412	1,445,733	319,992	3,771	1,761,954	222,458	542,451
Furniture and Fixtures	10,063,374	141,048		10,204,422	2,252,115	992,742		3,244,857	6,959,565	7,811,259
Vehicles	15,858,234	—	1,426,344	14,431,890	5,261,093	2,141,118	560,135	6,842,076	7,589,814	10,597,141
Total	264,993,370	161,083	1,731,632	263,422,821	80,343,450	36,286,275	781,560	115,848,165	147,574,656	—
Previous year	261,778,640	4,045,728	830,997	264,993,371	43,848,656	36,662,931	168,137	80,343,450	—	184,649,920

The Company has reviewed the useful life of fixed assets and revised the useful life of computers, AC & DG, Plant & Equipment and Motor Bike. Consequently, depreciation for the year is higher by ₹ 6,83,697/- and profit before tax for the year is lower to that extent.

NOTE E(II) - INTANGIBLE ASSETS

Particulars	Cost				Amortisation				Book Value	
	As at April 1, 2014	Additions	Deductions	As at March 31, 2015	Upto March 31, 2014	For the year	Deductions	Upto March 31, 2015	As at March 31, 2014	As at March 31, 2014
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Toll collection rights	10,288,580,423	—	—	10,288,580,423	204,231,407	133,462,959	—	337,694,366	9,950,886,057	10,084,349,016
Total	10,288,580,423	—	—	10,288,580,423	204,231,407	133,462,959	—	337,694,366	9,950,886,057	—
Previous year	10,301,379,932	2,933,527	15,733,036	10,288,580,423		104,740,130	575,721,645	204,231,407	—	10,084,349,016

As at March 31, 2015

As at March 31, 2014

₹

₹

₹

₹

NOTE F LONG TERM LOANS AND ADVANCES

Unsecured, considered good

Security deposits

Less: Provision for Doubtful Advance

1,181,597

1,227,597

—

(46,000)

1,181,597

1,181,597

Taxes Receivable

869,051

577,600

TOTAL**2,050,648****1,759,197**

NOTE G(I) CURRENT INVESTMENTS

Investment in Mututal funds - Quoted

—

1,000,000

L&T Liquid Fund Growth (570.34 units of face value ₹1000/-)

Book Value - ₹10,00,000/-

Market value - ₹10,02,263/-

TOTAL

—

1,000,000

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

	As at March 31, 2015		As at March 31, 2014	
	₹	₹	₹	₹
NOTE G(II) CASH AND BANK BALANCES				
Cash and cash equivalents				
Balances with banks				
In current accounts		1,218,395		3,410,196
In deposit accounts with maturity less than three months (including interest accrued thereon)		—		21,313,652
Cash on hand		7,646,134		9,318,655
Other bank balances				
Margin money deposit against bank guarantee issued (including interest accrued thereon) (Refer Note G (II) (a))		136,711		120,943
TOTAL		9,001,240		34,163,446

G(II)(a) : Margin Money deposit given as security against bank guarantee issued to telecom department.

NOTE G (III) SHORT TERM LOANS AND ADVANCES

Unsecured Considered Good				
Advance recoverable is cash or in kind		6,055,177		5,993,274
TOTAL		6,055,177		5,993,274

NOTE G(IV) OTHER CURRENT ASSETS

Receivable from fellow subsidiaries		—		2,520,257
Others receivable		1,665,118		—
TOTAL		1,665,118		2,520,257

NOTE H CONTINGENT LIABILITY

Claims against the Company not acknowledged :

GSRDC Vide its letter dated 6th May 2014 has claimed amount of ₹ 5,87,48,259/- based on Clause No 7.3 of Concession Agreement. The Company has rejected this demand of GSRDC to pay revenue share on defined traffic and sought for dispute resolution under Article 37 of Concession Agreement.

NOTE I

Commitments as at March 31, 2015 ₹ Nil (previous year: ₹ Nil)

	2014-15		2013-14	
	₹	₹	₹	₹
NOTE J REVENUE FROM OPERATIONS				
Operating revenue:				
Toll Collections	1,010,233,138		806,725,507	
Less : Revenue share to GSRDC	(152,775,432)		(113,963,600)	
		857,457,706		692,761,907
TOTAL		857,457,706		692,761,907

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

	2014-15	2013-14
	₹	₹
NOTE K : OTHER INCOME		
Interest Income from Bank deposits	34,371	273,261
Net gain on sale of investment	2,997,822	13,761,202
Other non-operating income	2,864,228	1,765,887
TOTAL	5,896,421	15,800,350
NOTE L : OPERATING EXPENSES		
Concession fee and Lease fee	2	2
Toll Management fees	35,538,590	31,775,453
Security services	31,329,803	36,870,899
Insurance	6,040,652	7,055,549
Repairs and maintenance		
Provision for Major Maintenance	156,125,000	59,374,000
Toll road & bridges	23,897,028	25,245,769
Plant and machinery	11,156,819	4,375,495
Others	16,364,584	15,424,029
	207,543,431	104,419,293
Professional fees	8,822,263	18,794,877
Power and fuel	10,010,287	7,431,436
TOTAL	299,285,028	206,347,509
NOTE M : EMPLOYEE BENEFIT EXPENSES		
Salaries, wages and bonus	13,397,545	13,849,677
Contributions to and provisions for:		
Provident fund (Refer P(3)(i))	733,717	756,413
Gratuity (Refer P(3)(ii))	294,819	76,006
Compensated absences	600,486	(97,111)
	1,629,022	735,308
Staff welfare expenses	3,059,648	4,128,053
TOTAL	18,086,215	18,713,038
NOTE N : FINANCE COSTS		
Interest on Term loans	976,020,463	980,719,228
Interest on Unsecured loan from Holding Company	80,976,589	37,660,477
Other borrowing cost	8,215,908	695,345
TOTAL	1,065,212,960	1,019,075,050

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Particulars	2014-15		2013-14	
	₹	₹	₹	₹
NOTE O : ADMINISTRATION AND OTHER EXPENSES				
Rent, Rates and taxes		215,179		218,124
Professional fees (Refer note (a) below)		14,016,510		14,040,973
Postage and communication		1,175,815		1,295,512
Printing and stationery		1,170,545		1,148,818
Travelling and conveyance		3,084,742		2,811,529
Corporate Social Responsibility expenses		—		272,150
Repairs and Maintenance - Others		2,275,939		3,202,651
Miscellaneous expenses		1,015,097		962,099
TOTAL		22,953,827		23,951,856
(a) Professional fees includes Auditors remuneration (including Service tax) as follows:				
As Auditor		247,192		247,192
For Taxation matters		92,697		92,697
For Other Services		222,697		290,171
Total		578,316		635,678

NOTE P(1) : CORPORATE INFORMATION

L & T Rajkot Vadinar Tollway Ltd is a Special Purpose Vehicle (SPV) incorporated on 08-09-2008 for the purpose of widening of existing two-lane to four lane of 131.65 kilometers Road stretch covering Rajkot Jamnagar Vadinar in the state of Gujarat under Viability Gap Funding scheme of GOI and operation and maintenance thereof, under the Concession Agreement dated 17th September, 2008. The Concession is for a period of 20 years including the construction period. At the end of the 20 years the entire facility will be transferred to Gujarat State Road Development Corporation Ltd. The Company achieved commercial operation on February 1, 2012 upon receipt of the provisional completion certificate.

NOTE P(2) : FOREIGN CURRENCY TRANSACTION

	2014-15	2013-14
	₹	₹
Expenditure: (Value of imports calculated on CIF basis)		
Purchase of Highway traffic management system, Toll software and spares	1,461,202	9,876,991

Earnings

During the year the Company does not have any earnings in foreign currency.

NOTE P(3) : Disclosure pursuant to Accounting Standard (AS) 15 (revised) on "Employee benefits":**(i) Defined contribution plan:**

An amount of ₹ 7,33,717/- (previous year : ₹ 7,56,413/-) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense (Note M) in the Statement of Profit and loss.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**(ii) Defined benefit plans:**

a) The amounts recognised in Balance Sheet are as follows:

Particulars	Gratuity plan	
	As at March 31, 2015	As at March 31, 2014
	₹	₹
A) Present value of defined benefit obligation		
- Wholly funded	—	—
- Wholly unfunded	674,721	430,383
	674,721	430,383
Less : Fair value of plan assets	—	—
Amount to be recognised as liability or (asset)	674,721	430,383
B) Amounts reflected in the Balance Sheet		
Liabilities	674,721	430,383
Assets	—	—
Net Liability / (asset)	674,721	430,383

b) The amounts recognised in the Statement of Profit and loss are as follows:

Particulars		Gratuity plan	
		As at March 31, 2015	As at March 31, 2014
		₹	₹
1	Current service cost	171,709	157,386
2	Interest on Defined benefit obligation	38,758	28,705
3	Expected return on plan assets	—	—
4	Actuarial losses/(gains)	84,352	(110,085)
5	Past service cost	—	—
6	Actuarial gain/(loss) not recognised in books	—	—
7	Adjustment for earlier years	—	—
Total (1 to 7)		294,819	76,006
I	Amount included in "employee benefit expenses"	294,819	76,006
II	Amount included as part of "finance costs"	—	—
Total (I + II)		294,819	76,006
Actual return on plan assets		—	—

c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars		Gratuity plan	
		As at March 31, 2014	As at March 31, 2013
		₹	₹
Opening balance of the present value of defined benefit obligation		430,383	354,377
Add:	Current service cost	171,709	157,386
Add:	Interest cost	38,758	28,705
Add:	Contribution by plan participants		—
	i) Employer	—	—
	ii) Employee	—	—
Add/(less):	Actuarial losses/(gains)	84,352	(110,085)
Less:	Benefits paid	50,481	—
Add:	Past service cost	—	—
Closing balance of the present value of defined benefit obligation		674,721	430,383

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

- d) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at March 31, 2015	As at March 31, 2014
1) Discount rate	7.80%	9.10%
2) Salary growth rate	6.00%	6.00%
3) Attrition rate	5.00%	5.00%

- e) The amount pertaining to defined benefit plans are as follows:

Particulars	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Gratuity Plan (Unfunded)	674,721	430,383	354,377	432,004	154,953

NOTE P(4) : SEGMENT INFORMATION

The Company is engaged in the business of construction, operation and maintenance of Toll road project on a Build Operate Transfer basis in a single business segment. Hence reporting on primary segment does not arise. Further, the Company has operations only in the state of Gujarat in India. Hence, disclosure of secondary / geographical segment information does not arise.

NOTE P(5) : Disclosure of related parties / related party transactions pursuant to Accounting Standard (AS) 18 "Related Party Disclosures"**a) List of related parties with whom transactions have taken place during the year**

Holding company	L&T Infrastructure Development Projects Limited
Ultimate Holding company	Larsen & Toubro Limited
Fellow Subsidiary companies	1 L&T Ahmedabad Maliya Tollway Limited 2 L&T Halol Shamlaji Tollway Limited 3 L&T Vadodara Bharuch Tollway Limited 4 L&T Samakhiali Gandhidham Tollway Limited 5 L&T Devihalli Hassan Tollway Limited 6 L&T BPP Tollway Limited 7 L&T East-West Tollway Limited ** 8 L&T Great Eastern Highway Limited ** 9 PNG Tollway Limited 10 L&T General Insurance Company Limited

Key Managerial Personnel Manager - Mr. Debendra Kumar Barik

** Merged with L&T Infrastructure Development Projects Limited vide order dated February 25, 2015 w.e.f April 1, 2014

b) Disclosure of related party transactions:

Nature of transaction	2014 - 15	2013 - 14
	₹	₹
1. Purchase of goods and services incl. taxes		
Holding company, L&T Infrastructure Development Projects Limited	17,178,579	17,868,458
Ultimate Holding company, Larsen & Toubro Limited	2,575,310	397,096,688
Fellow subsidiaries :		
L&T General Insurance Company Limited	5,897,851	5,379,510
	25,651,740	420,344,656
2. Purchase of assets		
Fellow subsidiaries :		
L&T Halol Shamlaji Tollway Limited	—	240,289
L&T East-West Tollway Limited	20,035	—
	20,035	240,289

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Nature of transaction	2014 – 15	2013 – 14
	₹	₹
3. Sale of assets		
Holding company, L&T Infrastructure Development Projects Limited	26,834	—
Fellow subsidiaries :		
L&T BPP Tollway Limited	632,320	42,328
L&T Devihalli Hassan Tollway Limited	(87,705)	2,111,622
L&T Ahmedabad Maliya Tollway Limited	8,272	—
L&T Vadodara Bharuch Tollway Limited	365,275	—
	944,996	2,153,950
4. Interest expense		
Holding company, L&T Infrastructure Development Projects Limited	80,976,589	36,770,477
	80,976,589	36,770,477
5. Reimbursement of expenses charged from		
Holding company, L&T Infrastructure Development Projects Limited	302,199	305,703
Fellow subsidiaries :		
L&T Ahmedabad Maliya Tollway Limited	—	804,640
L&T Vadodara Bharuch Tollway Limited	238,700	441,921
L&T Samakhiali Gandhidham Tollway Limited	24,720	—
	565,619	1,552,264
6. Reimbursement of expenses charged to		
Ultimate Holding company, Larsen & Toubro Limited	—	2,349
Fellow subsidiaries :		
L&T Ahmedabad Maliya Tollway Limited	84,343	33,690
L&T Vadodara Bharuch Tollway Limited	—	36,895
L&T BPP Tollway Limited	35,190	57,101
L&T Great Eastern Highway Limited	—	8,900
L&T Devihalli Hassan Tollway Limited	21,497	408,635
PNG Tollway Limited	—	25,911
L&T Halol Shamlaji Tollway Limited	36,951	—
	177,981	573,481
7. ICD / Promoters Loan / Mezzanine Debt received		
Holding company, L&T Infrastructure Development Projects Limited	189,500,000	510,000,000
	189,500,000	510,000,000
8. Refundable deposit received for Director's Nomination		
Holding company, L&T Infrastructure Development Projects Ltd.	200,000	—
	200,000	—
9. Key Managerial Personnel - Salary and Perquisites		
Manager - Mr. Debendra Kumar Barik	1,100,500	—
	1,100,500	—

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**c) Amount due to and due from related parties(net):**

	2014-15		2013-14	
	Due to ₹	Due from ₹	Due to ₹	Due from ₹
i. Holding company				
L&T Infrastructure Development Projects Limited	2,196,646,738	–	1,933,864,116	–
i. Ultimate Holding company				
Larsen & Toubro Limited	–	–	2,866,730	–
ii. Fellow Subsidiaries				
L&T Devihalli Hassan Tollway Limited	4,983	–	–	2,520,257

d) No amounts pertaining to related parties have been written off or written back during the year (previous year: ₹ Nil).

e) The Holding Company L&T Infrastructure Development Projects Limited has issued Bank guarantees on behalf of L&T Rajkot-Vadinar Tollway Limited of an amount of ₹. 24,30,00,000/- as Debt Service Reserve to senior lenders as per Facility Agreement as on March 31st, 2015.

NOTE P(6) Disclosure pursuant to Accounting Standard (AS) 19 “Leases”

The Company has not acquired any assets under Finance lease / Operating lease

NOTE P(7) : Major components of deferred tax liabilities and deferred tax assets:

The Company has not recognised any deferred tax liability in the books of accounts as the timing difference arising on account of differences in tax liability as per Income tax act, 1961 and books of accounts falls within the tax holiday period under Section 80 IA of the Income Tax, 1961.

NOTE P(8) : Disclosure pursuant to Accounting Standard (AS) 20 “Earnings per share”

Basic and Diluted Earnings per share (EPS) computed in accordance with Accounting Standard (AS 20) “Earnings per share”.

Particulars		2014-15	2013-14
		₹	₹
Basic and Diluted			
Profit after tax as per accounts (₹)	A	(711,933,137)	(125,325,141)
Weighted average number of shares outstanding	B	110,000,000	110,000,000
Basic and Diluted EPS (₹)	A / B	(6.47)	(1.14)
Face value per equity share (₹)		10.00	10.00

NOTE P(9) : Disclosure pursuant to Accounting Standard (AS) 28 “Impairment of Assets”

Based on a review of the future discounted cash flows of the project facility, the recoverable amount is higher than the carrying amount and hence no provision for impairment is made for the year.

NOTE P(10) : Disclosure pursuant to Accounting Standard (AS) 29 - “ Provisions ,Contingent Liabilities and Contingent Assets “**(a) Nature of Provision**

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

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

As per Industry practice periodic maintenance is expected to occur after Seven years. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching concept, based on estimates, a provision for major maintenance expenses is provided for in the books annually.

During the current year Company has provided ₹ 15,61,25,000/- (Previous Year ₹ 5,93,74,000/-) for periodic Major Maintenance in respect of its resurfacing obligation

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(b) Movement in provision

Description	As on April 1st 2014	Addition during the year	Utilised during the year	As on March 31st 2015
Major Maintenance Provision	59,374,000	156,125,000	–	215,499,000

(c) Disclosure in respect of contingent liabilities is given as part of Note no.(H) to Balance Sheet.

NOTE P(11) :

During the year, the Company through series of letters (latest being letter no. 1200 dated 06.06.2014) informed to GSRDC that the Company will be deferring the payment of revenue share dues from May 2014 onwards because of Toll revenue shortfall. The Company has further informed that the revenue share so deferred will be paid alongwith with interest at RBI Bank Rate plus 2% based position of Cash Flow of the Company. Unpaid revenue share of ₹ 14,19,87,552/-and interest of ₹ 59,29,125/- has been disclosed under the head Other Current Liabilities.

NOTE P(12) :

The Company operates in the infrastructure business sector which involves huge capital investments. The Company's net worth has been eroded. However the loss incurred so far is start up in nature and the Management expects that the Company's revenue for the subsequent financial years will be sufficient to meet the expenditure and recoup the losses incurred thereby strengthening the financial position of the Company. Accordingly, the financial statements have been prepared on going concern basis.

NOTE P(13) : Previous year figures

Previous year figures has been reclassified/ regrouped / rearranged wherever considered necessary to make them comparable.

Q. SIGNIFICANT ACCOUNTING POLICIES

1. Basis for preparation of accounts

The Company maintains its accounts on accrual basis following the historical cost convention, except for the revaluation of certain fixed assets, in accordance with generally accepted accounting principles ["GAAP"] in compliance with the provisions of the Companies Act, 2013 and the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of The Companies (Accounts) Rules, 2014 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and relevant provisions of the Companies Act, 1956 read with the Circular No.07/2014 dated April 1, 2014 of the Ministry of Corporate Affairs. Further, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

2. Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

3. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

A. Revenue from Operations

a. Toll Collections

- (i) Fee collections from the users of the infrastructure facility are accounted for as and when the amount is due and the recovery is certain.
- (ii) Income from sale of smart cards is recognised as and when the amount is received from the users of the cards.

b. Other Operating Income

- (i) Other operational revenue represents income earned from activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

B. Other Income

- (i) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.
- (ii) Net gain on sale of investments is recognised at the time of actual sale/redemption.
- (iii) Other items of income are accounted for as and when the right to receive arises.

4. Employee Benefits

(i) Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

(ii) Post-Employment Benefits

- a) Defined Contribution Plans: The Company's obligation to employee's provident fund is a defined contribution plan. The contribution paid/payable is recognized in the period in which the employee renders the related service.
- b) Defined Benefit Plans: The Company's obligation towards gratuity is a defined benefit plan.

The present value of the obligation under such Defined Benefit Plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized in the Statement of Profit and loss.

(iii) Long Term Employee Benefits

The obligation for long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans as mentioned in (ii) (b) above.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

5. Fixed Assets

Tangible

Fixed assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment.

Administrative and other general overhead expenses that are specifically attributable to the construction or acquisition of fixed assets, for bringing the fixed asset to working condition are allocated and capitalised as a part of cost of fixed asset.

Intangible

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

Administrative and other general overhead expenses that are directly attributable to development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "intangible assets under development".

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue during the concession period in respect of Build-Operate-Transfer (BOT) projects undertaken by the Group. Toll collection rights are capitalised as intangible asset upon completion of the project at the cumulative construction costs. Till completion of the project, the same is recognised as intangible assets under development. The revenue towards collection of toll/other income during the construction period is reduced from the cost of the intangible asset under development.

6. Depreciation and Amortisation

Depreciation

Depreciation on assets have been provided on straight-line basis at the rates specified in the Schedule II of the Companies Act, 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions. For assets that are transferred/sold within the group, depreciation is calculated up to the month preceding the month of transfer/sale within the group.

The following asset categories have useful lives different from the life specified in Schedule II of the Companies Act, 2013 based on technical advisor's assessment.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Category of Asset	Useful life (years)
Motor cars	7
Office equipments	
Multifunctional devices printers, switches and projectors	4
Plant and Machinery	
Toll Collection System	7
D G Set	12
Air Conditioning and refrigeration equipment	12
Split AC and Window AC	4

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

Amortisation

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

Specialised software is amortised over a period of three years on straight line basis from the month in which the addition is made.

Amortisation on impaired assets is provided by adjusting the amortisation charges in the remaining periods so as to allocate the assets' revised carrying amount over its remaining useful life.

7. Leases

Operating

Assets acquired on leases where a significant portion of risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to Statement of Profit and Loss on accrual basis.

Assets leased out under operating leases are capitalised. Rental income is recognized over the lease term.

Finance

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount.

Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

8. Impairment of Assets

At each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:

- The provision for impairment loss, if any; and
- The reversal of impairment loss recognised in previous period, if any,

Impairment loss is recognised, when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- in case of an individual asset, at the higher of net selling price and net value in use;
- in case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the net value in use.

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.)

9. Investments

Investments which are readily realisable and are intended to be held for not more than one year from the date of acquisition are classified as current investment. All other investments are classified as long term investment.

Current Investments are stated at lower of cost and market value. The determination of carrying amount of such investments is done on the basis of weighted average cost of each individual investment.

Long term investments are carried at cost, after providing for any diminution, if other than temporary in nature.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

10. Cash and bank balances

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

11. Borrowing costs

Borrowing costs include interest, commitment charges, amortization of ancillary costs, amortization of discounts / premium related to borrowings, finance charges in respect of finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest cost.

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized / inventoried as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

In compliance of AS-16 "Borrowing Cost", income earned on temporary investments, out of funds borrowed which are intermittently surplus but inextricably linked with the project, is deducted from the related borrowing costs incurred.

12. Foreign currency transactions

The reporting currency of the Company is the Indian Rupee.

Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items carried at historical cost denominated in a foreign currency, are reported using the exchange rate on the date of the transaction.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing rate are:

- (a) adjusted in the cost of fixed assets specifically financed by the borrowings contracted, to which the exchange differences relate.
- (b) recognised as income or expense in the period in which they arise.

13. Segment accounting

- (i) Segment revenue includes sales directly identifiable with / allocable to the segment.
- (ii) Expenses that are directly identifiable with/allocable to the segments are considered for determining the segment result.
- (iii) Expenses which relate to the Company as a whole and not allocable to segments are included under "unallocable corporate expenditure". Similarly Income which relate to the Company as a whole and not allocable to segments is included in "unallocable corporate income".
- (iv) Segments assets and liabilities include those directly identifiable with respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

14. Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income-tax Act, 1961 and based on the expected outcome of assessments/appeals.

Deferred tax is recognized on timing differences between the accounting income accounted in financial statements and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax asset relating to unabsorbed depreciation/business losses and losses under the head "capital gains" are recognised and carried forward to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

Other deferred tax asset are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

15. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of a past events.
- b) a probable outflow of resources is expected to settle the obligation, and
- c) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent Liability is disclosed in the case of:

- a) A present obligation arising from a past events, when it is not probable that an outflow of resources will be required to settle the obligation
- b) a possible obligation when no reliable estimate is possible and

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

c) A possible obligation arising from a past events unless the probability of outflow of resources is remote

Contingent Assets are neither recognized, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance sheet date.

16. Operating cycle

Operating cycle for the business activities of the Company is taken as twelve months.

17. Cash flow Statement

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

- i) Transactions of non-cash nature.
- ii) Any deferrals or accruals of past or future operating cash receipts or payments, and
- iii) Items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on date of Balance Sheet are also included under this category with a specific disclosure.

18. Commitments

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

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

Other commitments related to sales / procurements made in the normal course of business are not disclosed to avoid excessive details.

19. Claims

- i. Claims against the Company are accounted for as and when accepted.
- ii. Claims by the Company are recognised and accounted for as and when received.

As per our report attached

For and on behalf of the Board of

For **GIANENDER & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 004661N

by the hand of

PUNEET KUMAR

Partner

Membership No.: 531830

T. V. SENDIL PRABHAKARAN

CFO

KARTHIKEYAN T. V.

Director

DIN: 01367727

ESTHER MALINI VICTOR

Director

DIN: 07124748

Place : Chennai

Date : April 27, 2015

Place : Chennai

Date : April 27, 2015

ATTENDANCE SLIP

L&T RAJKOT - VADINAR TOLLWAY LIMITED

CIN: U45203TN2008PLC069184

Regd. Office: P.O. Box. 979, Mount Poonamallee Road, Manapakkam, Chennai - 600089.

Seventh Annual General Meeting, Wednesday, 23rd September, 2015.

Reg. Folio No. _____

No. of Shares _____

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the Seventh Annual General Meeting of the Company, held on Wednesday, the 23rd September, 2015 at 11:00 A.M. at the registered office of the Company at P.O. Box. 979, Mount Poonamallee Road, Manapakkam, Chennai - 600089.

Name of the member

Signature of Member

Name of the Proxy (In block letters)

Signature of Proxy

PROXY FORM

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U45203TN2008PLC069184

Name of the Company: L&T Rajkot - Vadinar Tollway Limited

Regd. Office: P.O. Box. 979, Mount Poonamallee Road, Manapakkam, Chennai - 600089.

Name of the member (s) :	
Registered address :	
E-mail Id:	
Folio No/ Client Id :	
DP ID :	

I/We, being the member (s) of _____ shares of the above named company, hereby appoint:

1. Name:

Address:

E-mail Id:

Signature:

failing him

2. Name:

Address:

E-mail Id:

Signature:

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 Seventh Annual General Meeting of the Company, to be held on Wednesday, the 23rd September, 2015 at 11:00 A.M. at the Registered office of the Company at P.O. Box. 979, Mount Poonamallee Road, Manapakkam, Chennai - 600089 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions	For	Against
Ordinary Business			
1	Adoption of the audited Financial Statements for the period from 1 st April, 2014 to 31 st March 2015 and the Reports of the Board and Auditors thereon.		
2	Appointment of Statutory Auditors of the Company and to fix their Remuneration.		
Special Business			
3	Appointment of Mr. Karthikeyan. T. V (DIN 01367727) as Director of the Company.		
4	Appointment of Dr. Esther Malini (DIN 07124748) as Director of the Company.		
5	Appointment of Mr. Manoj Kumar Singh (DIN 05228599) as Director of the Company.		
6	Ratification of remuneration of the cost auditor for the year 2015-16.		

Signed this _____ day of _____ 2015

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix one
Rupee
Revenue
Stamp

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.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. This is only optional. Please put an 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

