



**L&T HALOL - SHAMLAJI
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

Ms.Priyal Sarvaiya

Manager

Rajesh Nanikram Tilokani

Statutory Auditors

M/s.H.K.Shah & Co.,Chartered Accountants

Registered Office

Post Box No.979

Mount Poonamallee Road

Manapakkam

CHENNAI - 600 089



L&T IDPL

L&T Halol - Shamlaji Tollway Limited

(A subsidiary of L&T IDPL)

At-Panam Patia, Village - Gaman Baria na Muvada,
Taluka - Shahera, Dist. Panchmahal, Gujarat - 389210.
Ph : 02672-304803

NOTICE TO MEMBERS

Notice is hereby given for the SEVENTH ANNUAL GENERAL MEETING of the Members of L&T HALOL - SHAMLAJI TOLLWAY LIMITED to be held on Wednesday, 23rd September 2015 at 10:00 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. T R Chadha & Co., Chartered Accountants, Firm Registration no.06711N and having their office at 45, 5th Floor, Shree Krishna Centre, Nr Mithakhali Six Roads, Navrangpura, Ahmedabad - 380009 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 31th 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 31th 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:

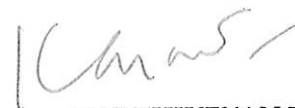
To consider and if thought fit to pass, with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**:

"**RESOLVED THAT**, Mr. Manoj Kumar Singh (DIN 05228599), who had been appointed as an Additional Director of the Company with effect from 31th 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

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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."

By the Order of the Board
For L&T HALOL - SHAMLAJI 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 AND 5, 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 and 5 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 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. 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 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. 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.

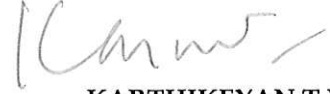
The appointment proposed in Item No. 5 is not affecting any other Company in the manner as prescribed in the provisions of section 102 of the Companies Act, 2013.

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.

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.

By the Order of the Board
For L&T HALOL - SHAMLAJI 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



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	<ol style="list-style-type: none">1. Kudgi Transmission Limited2. L&T Samakhiali Gandhidham Tollway Limited3. L&T Devihalli Hassan Tollway Limited4. L&T Ahmedabad - Maliya Tollway Limited5. L&T Rajkot - Vadinar Tollway Limited6. L&T Transportation Infrastructure Limited7. PNG Tollway Limited8. L& T Deccan Tollway Limited	<ol style="list-style-type: none">1. L&T Western Andhra Tollways Limited2. L&T Krishnagiri Thopur Toll Road Limited3. L&T Panipat Elevated Corridor Limited4. L&T BPP Tollway Limited5. L&T Ahmedabad - Maliya Tollway Limited6. L&T Rajkot - Vadinar Tollway Limited7. L&T Sambalpur-Rourkela Tollway Limited	<ol style="list-style-type: none">1. L&T Panipat Elevated Corridor Limited2. L&T Interstate Road Corridor Limited3. L&T Krishnagiri Thopur Toll Road Limited4. L&T Krishnagiri Walajahpet Tollway Limited5. L&T Ahmedabad - Maliya Tollway Limited6. L&T Rajkot - Vadinar Tollway Limited
Number of Board Meetings attended during the year	Nil	Nil	Nil

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 Rajkot - Vadinar 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 Rajkot - Vadinar Tollway Limited 5. L&T Transportation Infrastructure Limited <p>Corporate Social Responsibility Committee</p> <ol style="list-style-type: none"> 6. L&T Samakhiali Gandhidham Tollway Limited 7. 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 statements 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	(99.96)	(70.73)
Less: Depreciation, amortization and obsolescence	15.76	(43.87)
Profit / (loss) before exceptional and extraordinary items and tax	(115.72)	(26.86)
Add: Exceptional items	-	-
Profit / (Loss) before extraordinary items and tax	(115.72)	(26.86)
Add: Extraordinary items	-	-
Profit / (loss) before tax	(115.72)	(26.86)
Less: Provision for tax	-	-
Profit / (loss) for the period carried to the balance sheet	(115.72)	(26.86)
Add: Balance brought forward from previous year	(152.66)	(125.80)
Balance carried to Balance Sheet	(268.38)	(152.66)

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The total income including other income for the financial year under review was ₹ 78.83 Crore as against ₹ 91.90 Crore in the previous year. The Company has been rated ICRA BBB- by ICRA 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 ₹ 1297.52 Crore and the net fixed and intangible assets, including leased assets, at ₹ 1248.46 Crore. Capital Expenditure incurred during the year amounted to ₹ 0.18 Crore.

DEPOSITS

Your 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

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

SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

Your 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 your 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 statements.

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 your 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 your 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 your Company has not incurred any sum on foreign currency expenditure and there were no foreign exchange earnings during the year.

RISK MANAGEMENT POLICY

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

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your 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. Price Waterhouse Coopers. 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.

Ms. Priyal Sarvaiya has been appointed as Chief Financial Officer (CFO) of the Company on 24th February, 2015 in terms of Section 203 of the Companies Act, 2013.

Mr. Rajesh Nanikram Tilokani has been appointed as Manager of the Company on 24th February, 2015 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

L&T HALOL - SHAMLAJI TOLLWAY LIMITED

The Key Managerial Personnel (KMP) of the Company as on March 31, 2015 are as given below:

Sr. No.	Name	Designation
1	Ms. Priyal Sarvaiya	Chief Financial Officer
2	Mr. Rajesh Nanikram Tilokani	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
3rd November, 2014	3	2
24th 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

Your 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
3rd November, 2014	3	2
24th 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

Your Company had constituted a 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

Your 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 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

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

DISCLOSURE OF REMUNERATION

The Board of Directors wish to express their appreciation to all the employees for their outstanding contribution to the operations of the Company during the year. The information required under Section 197(12) of the Companies Act, 2013 and the Rules made thereunder is provided below:

The Directors of your Company are not paid any remuneration during the year. Hence, the remuneration of the Directors to that of the employees of the Company is not comparable.

REMUNERATION OF KMP

Amount in ₹ crore

Name of the KMP	Designation	Remuneration in FY 2014-15	Remuneration in FY 2013-14	% increase in remuneration of FY 2014-15 as compared to previous financial year	Performance of the Company	
					% increase in revenue of FY 2014-15 as compared to previous financial year	% increase in profit after tax of FY 2014-15 as compared to previous financial year
Ms. Priyal Sarvaiya	Chief Financial Officer	Nil	Nil	Nil	(9.67)%	(330.88)%
Mr. Rajesh Nanikram Tilokani	Manager	0.01 Crore	Nil	Since the Manager was appointed during the year only, no comparison is provided.		

The Median Remuneration of Employees ("MRE") was ₹ 0.027 crore and ₹ 0.026 crore in the financial year 2014-15 and 2013-14 respectively. The increase in MRE in the financial year 2014-15, as compared to previous financial year, is 2.67%.

The number of permanent employees on the rolls of the Company as of March 31, 2015 and March 31, 2014 was 54 and 56 respectively.

The revenue decline during the financial year over the previous financial year was 9.67% and net loss increased by 330.88%. The average remuneration of employees decreased by 7.70% over the previous financial year. The major reason of increased of loss is dropped in toll collection. Hence the decrease in remuneration of employees and KMP is not comparable with the performance of the Company.

Average percentage of decrease in the salaries of employees other than the KMP in the financial year 2014-15 was 13.37%. Since the KMP was appointed during the financial year 2014-15 the Comparison of salary of KMP against last year is not provided.

The remuneration paid to the employees is as per the remuneration policy of the Company.

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. H. K. Shah & Co., 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. B. Chitra & Co., a firm of Company Secretaries in practice, Chennai, was appointed as Secretarial Auditor 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.

L&T HALOL - SHAMLAJI TOLLWAY LIMITED

The secretarial audit report for the financial year 2014-15 is attached as Annexure III to this Report.

It contains the following qualification, reservation or adverse mark:

- The Company is not having a whole-time Company Secretary as required by Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Management's response: The Company is in search of a right candidate to be appointed as a whole time Company Secretary as per the provisions of Section 203 of the Companies Act 2013. The Management will endeavour to appoint a Company Secretary in the near future.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the employees, Financial Institutions, Banks, Central and State Government authorities, Regulatory authorities, Stock exchanges, 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	U45203TN2008PLC069210
Registration Date	09/09/2008
Name of the Company	L&T HALOL - SHAMLAJI 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 POONAMALLEE ROAD, MANAPAKKAM, CHENNAI- 600089
Whether listed company Yes / No	Debentures are Listed with BSE.
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.	130499994	6*	130500000	100	130499994	6*	130500000	100	–
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any Other....	–	–	–	–	–	–	–	–	–
Sub-total (A) (1):-	130499994	6*	130500000	100	130499994	6*	130500000	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)	130499994	6*	130500000	100	130499994	6*	130500000	100	–

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)	130499994	6*	130500000	100	130499994	6*	130500000	100	-

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

(ii) Shareholding of Promoters

Sl 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)	130499900	99.999	Nil	130499900	99.999	0.00%	0.00%
2.	Larsen & Toubro Limited	100	0.0001	Nil	100	0.0001	0.00%	0.00%
	Total	130500000	100	Nil	130500000	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	130500000	100	130500000	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):	–	–	–	–
3	At the End of the year	130500000	100	130500000	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	NCDs	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,025.37	176.50	60	1261.87
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	1.08	4.26	5.34
Total (i+ii+iii)	1,025.37	177.58	64.26	1267.21
Change in Indebtedness during the financial year				
Addition	–	113.20	–	113.20
Reduction	20.88	–	28.62	49.50
Net Change	(20.88)	113.20	(28.62)	63.70
Indebtedness at the end of the financial year				
i) Principal Amount	1004.49	283.55	30.00	1318.04
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	7.23	5.64	12.87
Total (i+ii+iii)	1004.49	290.78	35.64	1330.91

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/MTD/Manager	Total Amount
		Manager: Mr. Rajesh Nanikram Tilokani	
1.	Gross salary	0.01 Crore	0.01 Crore
	(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 (A)	0.01 Crore	0.01 Crore
	Ceiling as per the Act	0.05 Crore	0.05 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		
		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	
	Total (B)=(1+2)	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
				Ms. Priyal Sarvaiya	
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 ENDED 31.03.2015**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
L&T Halol - Shamlaji Tollway Limited
P B NO.979, Mount Poonamalle Road, Manapakkam,
Chennai - 600089

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by L&T Halol - Shamlaji Tollway Limited (hereinafter called the "Company").

The 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 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 the secretarial audit, We hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 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;
- (iii) *The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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;
- (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;
 - (b) *The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) *The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) *The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The other laws applicable specifically to the company: Gujarat Infrastructure Development Act, 1999 (GUJARAT ACT NO.11 OF 1999)

We have also examined whether adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, competition laws, environment laws etc

In respect of financial laws like Tax laws, etc we have relied on the audit reports made available during our audit for us to have the satisfaction that the Company has complied with the provisions of such laws

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

- (i) *Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) *The Listing Agreements entered into by the Company with NSE for securities

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following:

The Company has not complied with the requirements of Section 203 for appointment of Whole-time Company Secretary.

Note:

* Denotes "NOT APPLICABLE".

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Director and Independent Directors. 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.

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

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 laws, rules, regulations and guidelines.

This report has to be read along with our statement furnished in Annexure A

For **CHITRA & CO**

Place : Chennai
Date : April 26, 2015

B. CHITRA
FCS No.:4509
C P No.:2928

ANNEXURE 'A'

To,
The Members,
L&T Halol - Shamlaji Tollway Limited
P B NO.979, Mount Poonamalle Road, Manapakkam,
Chennai - 600089

Dear Sir(s),

Sub.: Secretarial Audit Report for the Financial Year ended 31.03.2015

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the Company. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **CHITRA & CO**

Place : Chennai
Date : April 26, 2015

B. CHITRA
FCS No.:4509
C P No.:2928

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF L&T HALOL SHAMLAJI TOLLWAY LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of L&T HALOL SHAMLAJI TOLLWAY LIMITED, which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in the Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 standalone 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 the disclosures in the financial statements. The procedures selected depend on the 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 and fair presentation of the financial statements that give a true

and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 standalone 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 and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit/loss and its cash flows for the year ended on that date:

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 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.
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company does not have any pending litigations which could impact its financial position;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For H. K. SHAH & CO.
Chartered Accountants
Firm's Registration no. 109583/W

Place: Ahmedabad
Date: April 27, 2015

H. K. SHAH
(Partner)
Membership No. 042758

BALANCE SHEET AS AT MARCH 31, 2015

	Note No.	As at 31.03.2015		As at 31.03.2014	
		₹	₹	₹	₹
EQUITY AND LIABILITIES:					
Shareholders' funds					
Share capital	A	1,305,000,000		1,305,000,000	
Reserves and surplus	B	(2,683,805,069)		(1,526,582,407)	
			(1,378,805,069)		(221,582,407)
Non-current liabilities					
Long-term borrowings	C(I)	12,567,200,004		12,409,900,004	
Other long-term liabilities	C(II)	72,250,125		53,396,833	
Long-term provisions	C(III)	291,000,000		88,700,000	
			12,930,450,129		12,551,996,837
Current liabilities					
Trade payables	D(I)	23,414,892		35,881,925	
Other current liabilities	D(II)	930,358,040		434,726,016	
Short-term provisions	D(III)	2,195,564		1,488,532	
			955,968,496		472,096,473
TOTAL			12,507,613,556		12,802,510,903
ASSETS					
Non-current assets					
Fixed assets					
Tangible assets	E(I)	178,194,481		222,579,666	
Intangible assets	E(II)	12,306,413,097		12,418,291,074	
			12,484,607,578		12,640,870,740
Long-term loans and advances	F		1,752,206		1,743,907
Current assets					
Current investments	G(I)	–		139,026,909	
Cash and bank balances	G(II)	11,465,656		12,869,553	
Short-term loans and advances	G(III)	9,788,116		7,999,794	
			21,253,772		159,896,256
TOTAL			12,507,613,556		12,802,510,903
CONTINGENT LIABILITIES					
COMMITMENTS					
OTHER NOTES FORMING PART OF ACCOUNTS					
SIGNIFICANT ACCOUNTING POLICIES					

As per our report attached
H. K. SHAH & CO.
Chartered Accountants
Firm's Registration No. 109583/W
By the hand of

For and on behalf of the board

H. K. SHAH
Partner
Membership No. 042758

RAJESH TILOKANI
Manager

PRIYAL SARVAIYA
CFO

KARTHIKEYAN T. V.
Director
DIN: 01367727

ESTHER MALINI VICTOR
Director
DIN: 07124748

Place : Ahmedabad
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	687,927,310	770,232,049
Other income	K	4,817,323	51,620,377
		692,744,633	821,852,426
Total Revenue		692,744,633	821,852,426
EXPENSES			
Operating expenses	L	323,131,563	234,890,989
Employee benefit expenses	M	23,718,335	25,190,408
Finance costs	N	1,310,843,780	1,231,180,972
Depreciation	E(I)	45,694,108	43,398,715
Amortisation	E(II)	111,877,976	(482,104,067)
Administration and other expenses	O	34,701,533	37,865,548
		1,849,967,295	1,090,422,565
Total Expenses		1,849,967,295	1,090,422,565
Profit/(Loss) before tax		(1,157,222,662)	(268,570,139)
Tax Expense:			
Current tax		—	—
		—	—
Profit/(Loss) after tax for the year		(1,157,222,662)	(268,570,139)
Earnings per equity share (Basic and Diluted)	P(7)	(8.87)	(2.06)
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
H. K. SHAH & CO.
Chartered Accountants
Firm's Registration No.109583/W
By the hand of

For and on behalf of the board

H. K. SHAH
Partner
Membership No. 042758

RAJESH TILOKANI
Manager

PRIYAL SARVAIYA
CFO

KARTHIKEYAN T. V.
Director
DIN: 01367727

ESTHER MALINI VICTOR
Director
DIN: 07124748

Place : Ahmedabad
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. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (loss) before tax and extraordinary items	(1,157,222,662)	(268,570,139)
Adjustment for		
Depreciation and amortisation expense	157,572,084	(438,705,352)
Interest expense	1,310,843,780	1,231,180,972
Interest income	-	(1,371,849)
(Profit)/loss on sale of current investments(net)	(3,975,413)	(47,797,211)
(Profit)/loss on sale of fixed assets	95,262	-
Operating profit before working capital changes	307,313,051	474,736,421
Adjustments for:		
Increase / (Decrease) in liabilities and provisions	525,326,358	(584,154,147)
(Increase) / Decrease in loans and advances	(1,796,621)	(176,130)
Net cash generated from/(used in) operating activities	830,842,788	(109,593,856)
Direct taxes paid (net of refunds)	-	-
Net Cash(used in)/generated from Operating Activities	830,842,788	(109,593,856)
B Cash flow from investing activities		
Purchase of fixed assets	(1,806,562)	(10,240,629)
Sale of fixed assets	402,373	68,926,282
Purchase of current investments	(889,500,000)	(2,125,531,366)
Sale of current investments	1,032,502,327	2,034,301,671
Interest received	-	1,371,849
Net cash (used in)/generated from investing activities	141,598,138	(31,172,193)
C Cash flow from financing activities		
Issuance of Non-Convertible Debentures	-	600,000,000
Unsecured Loan taken	1,070,500,000	110,000,000
Repayment of long term borrowings	(208,800,000)	(52,300,000)
Repayment of Non-Convertible Debentures	(300,000,000)	-
Non-Convertible debentures transferred to current liabilities	(300,000,000)	-
Interest paid	(1,235,544,823)	(1,178,077,564)
Net cash (used in)/generated from financing activities	(973,844,823)	(520,377,564)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(1,403,897)	(661,143,613)
Cash and cash equivalents as at the beginning of the year	12,869,553	674,013,166
Cash and cash equivalents as at the end of the year	11,465,656	12,869,553

Notes:

- Cash flow statement has been prepared under the 'Indirect Method.
- Cash and cash equivalents represent cash and bank balances.
- Previous year's figures have been regrouped/reclassified wherever applicable.
- Cash and cash equivalents :-

Balances with banks:

- On current account

- Margin money deposit

Cash in hand and transit

6,639,466 8,147,583

129,555 100,000

4,696,635 4,621,970

11,465,656 12,869,553

As per our report attached

H. K. SHAH & CO.

Chartered Accountants

Firm's Registration No.109583/W

By the hand of

For and on behalf of the board

H. K. SHAH

Partner

Membership No. 042758

RAJESH TILOKANI

Manager

PRIYAL SARVAIYA

CFO

KARTHIKEYAN T. V.

Director

DIN: 01367727

ESTHER MALINI VICTOR

Director

DIN: 07124748

Place : Ahmedabad

Date : April 27, 2015

Place : Chennai

Date : April 27, 2015

NOTES FORMING PART OF ACCOUNTS

NOTE A

SHARE CAPITAL

(i) Authorised, issued, subscribed and paid up

	As at 31.03.2015		As at 31.03.2014	
	No of Shares	₹	No of Shares	₹
Authorised:				
Equity shares of ₹ 10 each	131,000,000	1,310,000,000	131,000,000	1,310,000,000
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	130,500,000	1,305,000,000	130,500,000	1,305,000,000

(ii) Reconciliation of the number of equity shares and share capital issued, subscribed and paid-up:

	As at 31.03.2015		As at 31.03.2014	
	No of Shares	₹	No of Shares	₹
At the beginning of the year	130,500,000	1,305,000,000	130,500,000	1,305,000,000
Issued during the year as fully paid	—	—	—	—
At the end of the year	130,500,000	1,305,000,000	130,500,000	1,305,000,000

(iii) Terms / rights attached to 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.

(iv) Details of Shares held by Holding Company/Ultimate Holding Company/its subsidiaries or associates:

	As at 31.03.2015		As at 31.03.2014	
	No of Shares	₹	No of Shares	₹
L&T Infrastructure Development Projects Limited (including nominee holding) (holding company)	130,499,900	1,304,999,000	130,499,900	1,304,999,000
Larsen and Toubro Limited (Ultimate holding Company)	100	1,000	100	1,000
	130,500,000	1,305,000,000	130,500,000	1,305,000,000

(v) Details of Shareholders holding more than 5% shares in the Company:

	As at 31.03.2015		As at 31.03.2014	
	No of Shares	%	No of Shares	%
L&T Infrastructure Development Projects Limited (including nominee holding) (holding company)	130,499,900	100.00	130,499,900	100.00

(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 FORMING PART OF ACCOUNTS (Contd.)

	As at 31.03.2015		As at 31.03.2014	
	₹	₹	₹	₹
NOTE B				
RESERVES AND SURPLUS				
Surplus/(Deficit) as per Statement of Profit and loss:				
As per last balance sheet	(1,526,582,407)		(1,258,012,268)	
Add: Profit/(Loss) for the year	(1,157,222,662)		(268,570,139)	
		(2,683,805,069)		(1,526,582,407)
TOTAL		(2,683,805,069)		(1,526,582,407)
NOTE C(I)				
LONG TERM BORROWINGS				
Secured Term Loans				
- From Banks	8,610,400,000		8,886,100,004	
- From Financial Institutions	1,121,300,004		1,158,800,000	
		9,731,700,004		10,044,900,004
Redeemable non-convertible fixed rate debentures**		—		600,000,000
[Refer Note C(I)(c)]				
Mezzanine Debt. From holding company - Unsecured		1,305,000,000		1,305,000,000
Loans from Holding Company - Unsecured		1,530,500,000		460,000,000
TOTAL		12,567,200,004		12,409,900,004

** Out of ₹ 60 Crore Debentures outstanding as on April 1, 2014, Debentures of ₹ 30 Crores have been redeemed on March 31, 2015. Balance Debentures of ₹ 30 Crores, since payable on July 2, 2015 have been shown under the head Other Current Liabilities.

C(I) (a) Details of Long Term Loans

Particulars	Rate of Interest	Terms of Repayment
	As at 31.03.2015	
Secured Term Loans	Base rate of Allahabad Bank + Applicable spread	Repayable in 141 monthly instalments from November 2012 to July 2025 at specified amounts.
Mezzanine Debt From Holding Company - Unsecured	Interest free loan	Quasi Equity in nature
Loan from Holding Company - Unsecured	RBI Bank Rate	Repayable after payment of all Secured Borrowings

C(I) (b) Nature of Security for Term Loans

Above Term Loans are secured by pari passu first charge on all the immovable properties both present and future of the Company and hypothecation of tangible movable properties present & future including book debt, cash & bank balance, stock-in-trade, intangible assets, uncalled share capital, etc. except project assets as defined in the concession agreement.

C(I) (c) Details of Non-Convertible Debentures (privately placed)

Series	Rate of Interest	Terms of Repayment
	As at 31.03.2015	
Redeemable Non-Convertible Fixed Rate Debentures :		
Series-B 300 Debentures of Face Value of ₹ 10,00,000/- each	10.90%	July 15, 2015
Series-A 300 Debentures of Face Value of ₹ 10,00,000/- each	10.90%	The Debentures were due to redemption on April 2, 2015, However in view of Bank Holidays, Debentures are redeemed on March 31, 2015.

NOTES FORMING PART OF ACCOUNTS (Contd.)

C(l) (d) Nature of Security for Non-Convertible Debentures

The debentures referred above are secured by pari passu Second charge on all the immovable properties both present and future of the Company and hypothecation of tangible movable properties present & future including book debt, cash & bank balance, stock-in-trade, intangible assets, uncalled share capital, etc. except project assets as defined in the concession agreement.

C(I) (e) Presentation of term loans in the Balance sheet is as follows:

Particulars	As at 31.03.2015	As at 31.03.2014
	₹	₹
(i) Long term borrowings	12,567,200,004	12,409,900,004
(ii) Current maturities of long term borrowings	313,200,000	208,800,000
TOTAL	12,880,400,004	12,618,700,004

As at 31.03.2015	As at 31.03.2014
₹	₹

NOTE C(II)

OTHER LONG-TERM LIABILITIES

Interest accrued but not due on

-	Unsecured Loan from Holding Company	72,250,125	10,752,449
-	Redeemable Non-Convertible Fixed Rate Debentures	-	42,644,384

TOTAL

72,250,125	53,396,833
------------	------------

NOTE C(III)

LONG-TERM PROVISIONS

Others:

Periodic Major Maintenance Provision [Refer Note P(10)]

291,000,000	88,700,000
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TOTAL

291,000,000	88,700,000
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As at 31.03.2015

As at 31.03.2014

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NOTE D(I)

TRADE PAYABLES

Due to Related parties :

Ultimate Holding Company

Holding Company

196	4,046,213
4,673,485	—

Others

4,673,681	4,046,213
18,741,211	31,835,712

TOTAL

23,414,892	35,881,925
------------	------------

Note D(l)(a)

There are 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.

NOTES FORMING PART OF ACCOUNTS (Contd.)

	As at 31.03.2015		As at 31.03.2014	
	₹	₹	₹	₹
NOTE D(II)				
OTHER CURRENT LIABILITIES				
Current Maturities of Long term Borrowings				
Secured Term Loans [Refer note C(I)(e)]				
- From Banks	275,700,000		183,800,000	
- From Financial Institution	37,500,000		25,000,000	
		313,200,000		208,800,000
Redeemable NCD [Refer Note C(I)(c)]		300,000,000		-
Statutory liabilities		3,877,995		16,171,617
Interest accrued but not due on Borrowings		56,445,665		
Revenue share payable and interest thereon [Refer note P(11)]		91,827,615		7,614,648
Other liabilities:				
Due to Others	164,806,765		202,139,751	
Due to related party				
Holding company	200,000		-	
		165,006,765		202,139,751
TOTAL		930,358,040		434,726,016
NOTE D(III)				
SHORT TERM PROVISIONS				
Provision for employee benefits				
Gratuity (Refer note P(3)(ii))	879,743		665,812	
Compensated absences	1,315,821		822,720	
		2,195,564		1,488,532
TOTAL		2,195,564		1,488,532

NOTE E(I) - TANGIBLE ASSETS

(Amount in ₹)

Particulars	COST				DEPRECIATION				BOOK VALUE	
	As at 01.04.2014	Additions	Deletions	As at 31.03.2015	Up to 31.03.2014	For the year	Deductions	Up to 31.03.2015	As at 31.03.2015	As at 31.03.2014
Owned										
Plant and Equipment	275,166,279	48,300	106,700	275,107,877	75,724,315	40,668,562	26,675	116,366,202	158,741,675	199,441,964
Computers and Laptop	2,217,121	52,106	318,209	1,951,018	1,541,885	663,394	282,973	1,922,306	28,712	675,236
Office equipment	3,895,835	-	10,400	3,885,435	2,169,942	810,734	10,399	2,970,277	915,158	1,725,894
Furniture and fixtures	12,303,286	1,706,156	-	14,009,442	2,726,056	1,191,544	-	3,917,601	10,091,841	9,577,230
Vehicles	17,158,455	-	601,393	16,557,062	5,999,113	2,359,874	219,020	8,139,967	8,417,095	11,159,342
Total	310,740,976	1,806,562	1,036,702	311,510,834	88,161,311	45,694,108	539,067	133,316,353	178,194,481	-
Previous year	302,828,655	10,240,629	2,328,308	310,740,976	45,555,467	43,398,715	792,872	88,161,311	-	222,579,666

The Company has reviewed the useful life of fixed assets and revised the useful life of computers, Plant & Equipment and Motor Bike. Consequently, depreciation for the year is lower by ₹ 18,34,117/- and profit before tax for the year higher to that extent.

NOTES FORMING PART OF ACCOUNTS (Contd.)**NOTE E(II) - INTANGIBLE ASSETS**

(Amount in ₹)

Particulars	COST				AMORTISATION				BOOK VALUE	
	As at 01.04.2014	Additions	Deletions	As at 31.03.2015	Up to 31.03.2014	For the year	Deductions	Up to 31.03.2015	As at 31.03.2015	As at 31.03.2014
Toll collection rights	12,663,653,068	–	–	12,663,653,068	245,361,995	111,877,976	–	357,239,971	12,306,413,097	12,418,291,074
Total	12,663,653,068	–	–	12,663,653,068	245,361,995	111,877,976	–	357,239,971	12,306,413,097	–
<i>Previous year</i>	12,731,067,418		(67,414,350)	12,663,653,068	727,489,567	118,241,153	600,368,725	245,361,995	–	12,418,291,074

As at 31.03.2015	As at 31.03.2014
₹	₹

NOTE F

LONG TERM LOANS AND ADVANCES

Unsecured, considered good

Security deposits

1,752,206	1,743,907
-----------	-----------

TOTAL

1.752.206	1.743.907
-----------	-----------

As at 31.03.2015		As at 31.03.2014	
Unit	₹	Unit	₹

NOTE G(I)

CURRENT INVESTMENTS

Investment in Mutual funds - Quoted

Reliance Liquidity Fund- Growth Plan of face value ₹ 1,000/-

-	-	69,994.70	135,026,909
---	---	-----------	-------------

DSP Blackrock Liquidity Fund - Institutional Growth Plan - face value
₹ 1,000/-

-	-	2,191.46	4,000,000
---	---	----------	-----------

TOTAL

-	-	72.186	139.026.909
---	---	--------	-------------

Details of Quoted/Unquoted investments:

As at 31.03.2015	As at 31.03.2014
₹	₹

Aggregate amount of Quoted current investment and market value thereof;

Book Value	-	139,026,909
------------	---	-------------

Market Value	-	139,291,928
--------------	---	-------------

NOTE G(II)

CASH AND BANK BALANCES

Cash and cash equivalents

Balances with Banks

In current accounts

6,639,466 8,147,583

Cash on hand

4.696.635 4.621.970

Other Bank Balances

Margin Money deposit against Bank guarantee issued [Incl. interest accrued thereon]

129,555 100,000

TOTAL

11.465.656	12.869.553
------------	------------

NOTES FORMING PART OF ACCOUNTS (Contd.)

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE G(III)		
SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good		
Related parties:		
Holding Company	-	531,622
Advances recoverable in cash or kind	9,788,116	7,468,172
TOTAL	9,788,116	7,999,794

NOTE H**Contingent Liabilities****Claims against the company not acknowledged :**

GSRDC Vide its letter dated 9th June 2014 has claimed amount ₹ 5,56,89,317/- based on clause 7.3 of Concession Agreement. the company has rejected this demand of GSRDC to pay revenue share to pay revenue share on defined traffic and sought for dispute resolution under Article 37 of Concession Agreement.

NOTE I**COMMITMENTS**

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

	2014-15 ₹	2013-14 ₹
NOTE J		
REVENUE FROM OPERATIONS		
Operating revenue:		
Toll Collections	783,535,820	867,393,487
Less : Revenue share to GSRDC	(95,608,510)	(97,161,438)
Net Collections	687,927,310	770,232,049
TOTAL	687,927,310	770,232,049

	2014-15 ₹	2013-14 ₹
NOTE K		
OTHER INCOME		
Interest income from:		
Bank deposits	15,283	1,371,849
Net gain on sale of current investments	3,975,413	47,797,211
Other non-operating income	826,627	2,451,317
TOTAL	4,817,323	51,620,377

NOTES FORMING PART OF ACCOUNTS (Contd.)

	2014-15		2013-14
	₹	₹	₹
NOTE L			
OPERATING EXPENSES			
Concession fee and Lease fee		2	2
Toll Management fees	35,483,438		37,914,864
Security services	14,838,798		14,496,958
Insurance	4,691,970		5,935,443
Repairs and maintenance			
- Toll road & bridge	31,910,250		26,774,165
- Periodical major maintenance	202,300,000		88,700,000
- Plant and machinery	7,670,997		7,280,370
- Others	6,809,914		6,318,989
		248,691,161	129,073,524
Professional fees	8,366,755		38,118,711
Power and fuel	11,059,439		9,351,488
TOTAL	323,131,563		234,890,990
NOTE M			
EMPLOYEE BENEFIT EXPENSES			
Salaries, wages and bonus	18,869,355		20,201,434
Contributions to and provisions for:			
Provident fund (Refer P(3)(i))	1,054,456		988,795
Gratuity (Refer P(3)(ii))	213,930		109,334
Compensated absences	639,809		80,863
		1,908,196	1,178,992
Staff welfare expenses	2,940,784		3,809,982
TOTAL	23,718,335		25,190,408
NOTE N			
FINANCE COSTS			
Interest on			
Term Loans	1,168,622,145		1,177,299,860
Debentures	70,048,237		42,644,384
Unsecured Loan	68,330,755		11,226,096
Others	3,842,643		10,632
		1,310,843,780	1,231,180,972
TOTAL	1,310,843,780		1,231,180,972

NOTES FORMING PART OF ACCOUNTS (Contd.)

	2014-15		2013-14
	₹	₹	₹
NOTE O			
ADMINISTRATION AND OTHER EXPENSES			
Rent, Rates and taxes	459,789		1,280,856
Professional fees (Refer note (a) below)	17,512,706		19,823,369
Postage and communication	1,062,937		1,110,219
Printing and stationery	1,236,707		1,289,023
Travelling and conveyance	7,339,733		7,786,068
CSR expenses	-		414,886
Repairs and Maintenance - Others	3,182,384		813,599
Loss on disposal of fixed assets	95,262		-
Miscellaneous expenses	3,812,015		5,347,528
	34,701,533		37,865,548
TOTAL	34,701,533		37,865,548

(a) Professional fees includes Auditors remuneration (including service tax) as follows:

	2014-15	2013-14
	₹	₹
a) As auditor	296,386	296,386
b) For taxation matters	25,000	25,000
c) For other services	2,809	-
TOTAL	324,195	321,386

P(1) Corporate Information

L&T Halol Shamlaji Tollway Limited is a Special Purpose Vehicle (SPV) incorporated on 09-09-2008 for the purpose of widening of existing two-lane, 173.06 kilometers Road stretch covering Halol-Godhra-Shamlaji to make it four lane divided Carriage way facility under Viability Gap Funding scheme of Government of India 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 April 4, 2012 upon receipt of the provisional completion certificate. executed between the Company and GSRDC.

P(2) Foreign Currency transaction

During the year, the company does not have any expenditure in foreign currency (*previous year*: ₹. 91,37,327/-) towards payment against purchase of toll equipments.

During the year the company does not have any earnings in Foreign Currency

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

An amount of ₹ 10,54,456/- (*previous year*: ₹ 9,88,795/-) being contribution made to regional provident fund is recognised as expense and included under Employee benefit expense (Note M) in the Statement of Profit and loss.

NOTES FORMING PART OF ACCOUNTS (Contd.)**(ii) Defined benefit plans:**

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

Particulars		Gratuity plan	
		As at 31.03.2015	As at 31.03.2014
		₹	₹
A)	Present value of defined benefit obligation		
	- Wholly funded	—	—
	- Wholly unfunded	879,742	665,812
		879,742	665,812
	Less : Fair value of plan assets	—	—
	Amount to be recognised as liability or (asset)	879,742	665,812
B)	Amounts reflected in the Balance Sheet		
	Liabilities	879,742	665,812
	Assets	—	—
	Net Liability / (asset)	879,742	665,812

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

Particulars		Gratuity plan	
		As at 31.03.2015	As at 31.03.2014
		₹	₹
1	Current service cost	240,357	220,309
2	Interest on Defined benefit obligation	60,058	45,075
3	Expected return on plan assets	—	—
4	Actuarial losses/(gains)	(86,484)	(156,050)
5	Past service cost	—	—
6	Actuarial gain/(loss) not recognised in books	—	—
7	Adjustment for earlier years	—	—
	Total (1 to 7)	213,931	109,334
I	Amount included in "employee benefit expenses"	213,931	109,334
II	Amount included as part of "finance cost"	—	—
	Total (I + II)	213,931	109,334
	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 31.03.2015	As at 31.03.2014
		₹	₹
	Opening balance of the present value of defined benefit obligation	665,812	556,478
	Add: Current service cost	240,357	220,309
	Add: Interest cost	60,058	45,075
	Add: Contribution by plan participants		
	i) Employer	—	—
	ii) Employee	—	—
	Add/(less): Actuarial losses/(gains)	(86,484)	(156,050)
	Less: Benefits paid	—	—
	Add: Past service cost	—	—
	Closing balance of the present value of defined benefit obligation	879,743	665,812

NOTES FORMING PART OF ACCOUNTS (Contd.)

d) Principal actuarial assumptions at the Balance Sheet date:

Particulars		As at 31.03.2015	As at 31.03.2014
1)	Discount rate	7.80%	9.10%
2)	Salary growth rate	6.00%	6.00%
3)	Attrition rate	5.00%	5.00%

e) The amounts pertaining to defined benefit obligations are as follows:

Particulars	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011
Gratuity	879,743	665,812	556,478	569,905	209,427

P(4) Disclosure pursuant to Accounting Standard (AS) - 16 "Borrowing Costs"

Borrowing cost capitalised during the year ₹ Nil. (previous year : ₹ Nil)

P(5) Disclosure of related parties/ related party transactions

(a) List of related parties:

Holding company	L&T Infrastructure Development Projects Limited
Ultimate Holding company	Larsen & Toubro Limited
Fellow Subsidiary companies	L&T Transportation Infrastructure Limited L&T Vadodara Bharuch Tollway Limited L&T Interstate Road Corridor Limited L&T Panipat Elevated Corridor Limited L&T Ahmedabad Maliya Tollway Limited L&T Rajkot Vadinar Tollway Limited L&T Samakhiali Gandhidham Tollway Limited L&T Krishnagiri Walahjapet Tollway Limited L&T Devihalli Hassan Tollway Limited L&T BPP Tollway Limited L&T Port Kachchigarh Limited L&T General Insurance Company Limited PNG Tollway Limited
Key Managerial Personnel	Mr.Rajesh Tilokani Mr.Abhijit Chanda

(b) Details of transactions with related parties:

Nature of transaction	2014-15	2013-14
	Amount ₹	Amount ₹
1. Purchase of goods and services incl. taxes		
Ultimate Holding company Larsen & Toubro Limited	3,132,144	593,701,282
Holding company L&T Infrastructure Development Projects Limited	16,473,172	25,507,444
Fellow subsidiaries:		
L&T General Insurance Company Limited	3,940,386	4,012,332
	23,545,702	623,221,058

NOTES FORMING PART OF ACCOUNTS (Contd.)

Nature of transaction	2014-15	2013-14
	Amount ₹	Amount ₹
2. Purchase of assets Fellow subsidiaries: L&T Ahmedabad Maliya Tollway Limited L&T East West Tollways Limited L&T BPP Tollway Limited	1,582,156 52,106 — 1,634,262	— — 35,229 35,229
3. Sale of assets Holding company L&T Infrastructure Development Projects Limited Fellow subsidiaries: L&T Rajkot Vadinar Tollway Limited L&T Panipat Elevated Corridor Limited PNG Tollway Limited L&T Devihalli Hassan Tollway Limited L&T Vadodara Bharuch Tollway Limited L&T Ahmedabad Maliya Tollway Limited L&T BPP Tollway Limited	8,272 — — — — 92,029 914,810 50,507 1,065,618	32,426 228,289 32,426 19,348 534,456 — 46,266 1,058,652 1,951,863
4. Interest expense Holding company L&T Infrastructure Development Projects Limited	68,330,755 68,330,755	11,226,096 11,226,096
5. Reimbursement of expenses charged from Ultimate Holding company Larsen & Toubro Limited Holding company L&T Infrastructure Development Projects Limited Fellow subsidiaries: L&T Vadodara Bharuch Tollway Limited L & T Rajkot Vadinar Tollway Limited PNG Tollway Limited L&T BPP Tollway Limited L&T Panipat Elevated Corridor Limited L&T Samakhali Gandhidham Tollway Limited L&T Krishnagiri Walajahpet Tollway Limited	3,554,281 2,744,275 231,000 36,951 5,000 — 4,005 — 21,516 6,597,028	5,021,367 2,687,690 1,364,496 — — 92,262 7,400 800,000 — 9,973,215
6. Reimbursement of expenses charged to Fellow subsidiaries: L&T BPP Tollway Limited L&T Ahmedabad Maliya Tollway Limited L&T Panipat Elevated Corridor Limited PNG Tollway Limited L&T Devihalli Hassan Tollway Limited L&T Krishnagiri Thopur Toll Road Limited L&T Port Kachchigarh Limited L&T Rajkot Vadinar Tollway Limited L&T Samakhali Gandhidham Tollway Limited	62,184 — — 31,966 — — — — — 6,520 100,670	56,631 1,417,961 39,826 116,771 16,343 20,000 7,060 12,000 33,311 1,719,903
7. ICD / Promoters Loan / Mezzanine Debt received Holding company L&T Infrastructure Development Projects Limited	1,070,500,000 1,070,500,000	460,000,000 460,000,000

NOTES FORMING PART OF ACCOUNTS (Contd.)

Nature of transaction	2014-15	2013-14
	Amount ₹	Amount ₹
8. Refundable deposit received for Director's Nomination Holding company L&T Infrastructure Development Projects Limited	200,000	—
	200,000	—
9. Key Managerial personnel Manager Shailesh Kumar Shukla (From 23.01.2013 to 30.04.2013)	—	93,120
Abhijit Chanda (Period from 12.06.2014 to 28.02.2015)	821,089	—
Rajesh Tilokani (From 01.03.2015)	146,331	—
	967,420	93,120

(d) Amount due to and due from related parties (Net)

Particulars	2014-15		2013-14	
	Due to	Due from	Due to	Due from
	₹	₹	₹	₹
i. Ultimate Holding company Larsen & Toubro Limited	196	—	4,046,213	—
ii. Holding company L&T Infrastructure Development Projects Limited	2,912,423,610	—	1,775,220,827	—
iii. Fellow subsidiaries L&T Port Kachchigarh Limited	—	125,470	—	125,470
L&T Devihalli Hassan Tollway Limited	—	—	—	452,895

(e) No amount due to or due from related parties has been written back or written off during the year (Previous year is ₹ Nil)

(f) The Holding Company L&T Infrastructure Development Projects Limited has issued Bank guarantees on behalf of L&T Halol Shamlaji Tollway Limited of an amount of ₹ 33,80,00,000/- (previous year- ₹ 30,00,00,000/-) as Debt Service Reserve to senior lenders as per Facility Agreement as on March 31, 2015

P(6) Disclosure pursuant to Accounting standard (AS) 22 Accounting for taxes on income

There is no deferred tax asset / liability to be reckoned as at the date of the Balance Sheet.

P(7) 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	(1,157,222,662)	(268,570,139)
Weighted average number of shares outstanding	B	130,500,000	130,500,000
Basic and Diluted EPS (₹)	A / B	(8.87)	(2.06)
Face value per equity share (₹)		10.00	10.00

P(8) 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.

P(9) Debenture Redemption Reserve

As the company does not have profits for the current year, Debenture Redemption Reserve as defined under Section 71 of the Companies Act, 2013 has not been created.

NOTES FORMING PART OF ACCOUNTS (Contd.)

P(10) Disclosures pursuant to Accounting Standard (AS) 29 - "Provisions, Contingent Liabilities and Contingent Assets"

a) Nature of provisions:

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 over a period 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 ₹ 20,23,00,000/- (Previous Year ₹ 8,87,00,000/-) for periodic Major Maintenance in respect of its resurfacing obligation

(b) Movement in provision

(Amount in ₹)

Description	As on 01.04.2014	Addition during the year	Utilised during the year	As on 31.03.2015
Major Maintenance Provision	88,700,000	202,300,000	–	291,000,000

c) Contingent Liabilities

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

P(11) 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.

P(12) During the year, the company through series of letters (latest being letter no.978 dated 11.03.2015) 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 ₹ 8,80,20,330/-and interest of ₹ 38,07,285/- has been disclosed under the head Other Current Liabilities.

P(13) Previous Year Figures

Corresponding figures of previous year have been regrouped/reclassified wherever necessary.

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.

NOTES FORMING PART OF ACCOUNTS (Contd.)

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.

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".

NOTES FORMING PART OF ACCOUNTS (Contd.)

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.

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:

NOTES FORMING PART OF ACCOUNTS (Contd.)

- a. in case of an individual asset, at the higher of net selling price and net value in use;
- b. 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.

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

NOTES FORMING PART OF ACCOUNTS (Contd.)

- 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
- 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
H. K. SHAH & CO.
 Chartered Accountants
 Firm's Registration No.109583/W
 By the hand of

For and on behalf of the board

H. K. SHAH
 Partner
 Membership No. 042758

RAJESH TILOKANI
 Manager

PRIYAL SARVAIYA
 CFO

KARTHIKEYAN T. V.
 Director
 DIN: 01367727

ESTHER MALINI VICTOR
 Director
 DIN: 07124748

Place : Ahmedabad
 Date : April 27, 2015

Place : Chennai
 Date : April 27, 2015

ATTENDANCE SLIP

L&T HALOL - SHAMLAJI TOLLWAY LIMITED

CIN: U45203TN2008PLC069210

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 10:00 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

Note: Please fill the Attendance slip and hand it over at the Entrance of the Meeting Hall.

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: U45203TN2008PLC069210

Name of the Company: L&T Halol - Shamlaji 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 10:00 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.		

Signed this _____ day of _____ 2015

Signature of shareholder _____

Affix one
Rupee
Revenue
Stamp

Signature of Proxy holder(s) _____

Notes:

1. This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
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.

L&T Halol - Shamlaaji Tollway Limited
(Near Miot International Hospitals)

Central Railway Station

Anna Nagar West

Koyambedu

Saligramam

Kodambakkam

T. Nagar

Kotturpuram

Adyar

Besant Nagar

Chennai International Airport

1 h
26.9 km