



L&T IDPL

PNG Tollway Limited

(A subsidiary of L&T IDPL)

Toll Plaza at NH-3, Km. 390+450,

At +Po: Pimpalgaon Baswant, Tal: Niphad,

Dist: Nashik - 422 209. Maharashtra, INDIA

Tel : +91 2550 300223

NOTICE

Notice is hereby given for the **SIXTH ANNUAL GENERAL MEETING** of **PNG TOLLWAY LIMITED** to be held on Thursday, 24th September 2015 at 3.00 P.M at Mount Poonamallee High Road, Manapakkam, Chennai – 600 089 to discuss the following business:

ORDINARY BUSINESS:

1. To receive and adopt the audited Financial Statement for the period 1st April 2014 to 31st March 2015 and the report of the Directors and Auditors thereon.
2. To consider and if thought fit, to appoint Mr. Manoj Anil Dave (DIN No: 02397312), as a Director of the Company, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint the Statutory Auditors of the Company and to fix their Remuneration:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act 2013, if any, M/s Gianender & Associates, Chartered Accountants, (Firm Reg no: 004661N) who have given their consent and certificate under Section 139 of Companies Act 2013 be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of sixth consecutive Annual General Meeting of the Company(i.e., AGM 2020) at a remuneration Rs 2,64,000/- per annum as remuneration excluding out of pocket expenses for the Financial year 2015-16.”

“RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby severally authorized to file necessary forms with Registrar of Companies”

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modifications if any, the following Resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to Section 196, 197, 203 and Rule 8 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 and other applicable provisions of the Companies Act, 2013, and as approved by the Board of Directors, the approval of the Members be and is hereby given to re-appoint Mr.Sanjay Prabhakar Ingle as Manager of the Company for a period of 3 years with effect from 29.07.2015”

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"RESOLVED FURTHER THAT the Company may pay him remuneration as fixed by the Remuneration Committee from time to time by way of salary, perquisites and allowances not exceeding the limits specified in Part II, Section II and Section IV of Schedule V of the Companies Act, 2013 as minimum remuneration during his tenor subject to and in accordance with the permission, consent, approval of the Authorities as prescribed therein."

"RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby severally authorized to sign and file the forms, papers and documents with the Registrar of Companies as may be necessary for the aforesaid purpose."

5. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force, subject to such other approvals and consents as may be necessary and as recommended by the Nomination and Remuneration Committee and as approved by the Board of Directors, Mr. Sanjay Prabhakar Ingle be and is hereby re-appointed as Manager of the company for a period of 3 years with effect from 29.07.2015 on such salary, perquisites, and allowances and on such conditions as mentioned below, subject to schedule V of the Companies Act, 2013 or any statutory modifications or reenactments thereof as may be agreed to by the Board of Directors or any committee thereof:-

- ☐ Salary, perquisites, and any other allowances not exceeding Rs.60,00,000 per annum.

Explanation

- 1) For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income tax Rules, 1962, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.
- 2) Company's Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of perquisites to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- 3) Gratuity payable as per rules of the Company and encashment of leave, at the end of the tenure, as per Company's policy shall not be included in the computation of perquisites aforesaid.

"RESOLVED FURTHER THAT notwithstanding anything specified herein above, where in any financial year, during the tenure of the Manager the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary, perquisites and allowances not exceeding the limits specified in Part II, Section II and Section IV of Schedule V of the

Companies Act, 2013 as minimum remuneration subject to and in accordance with the permission, consent, approval of the Authorities as prescribed therein."

"RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby severally authorized to sign forms, papers and documents as may be necessary to give effect to the above resolution."

By the Order of the Board
For PNG TOLLWAY LIMITED



T.S.VENKATESAN
DIRECTOR

DIN NO: 01443165

Flat - F3, Block-4, Nutech Indira, 150 Pillayar Koil St,
Jaffarkhanpet, Ashok Nagar, Chennai, 600083,
Tamil Nadu, INDIA

Date: 31.08.2015

Notes:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business under items no.4 set out above is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or where that is allowed, one or more proxies, to attend and vote instead of himself and that a proxy need not be a member.
3. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member.
4. Proxy form should be submitted to the company atleast 48 hours before the commencement of the meeting.
5. 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.
6. Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company to be held on September 24, 2015 are provided in Annexure A of this Notice.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013 the following explanatory statement sets out material facts relating to the business under item no.4 & 5 of the accompanying Notice dated 31.08.2015.

ITEM NO.4

TO CONSIDER AND APPROVE THE RE-APPOINTMENT OF MR.SANJAY PRABHAKAR INGLE AS MANAGER OF THE COMPANY

The Members are informed that pursuant to Section 196, 197, 203 and Rule 8 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014, a public Company having paid-up capital of Rs.10 Crores or more shall appoint a Manager or Whole Time Director, Managing Director, or Chief Executive Officer, or Company Secretary and Chief Financial Officer as per Companies Act, 2013. Currently the paid up capital of the Company is Rs.1691,00,00,000/- and hence it is necessary to appoint a Manager as per Section 203 of Companies Act, 2013.

Mr.Sanjay Prabhakar Ingle was appointed as Manager of the Company on 16th August 2012 for a period of 3 years. Consequently, his term as Manger ends on 15th August 2015. Thus, a proposal to re-appoint him for a further period of 3 years is placed before the Members for their approval.

The Board of Directors took note that the remuneration paid/payable is as per the HR policy of the Company and the yearly increment will be paid as per HR Policy.

The Directors of your Company have approved the resolution in their Meeting held on 29th July 2015.

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

None of the Directors, Key Managerial Personnel except Mr.Sanjay Prabhakar Ingle of the Company and his relatives is concerned or interested, in this resolution.

ITEM NO.5

TO FIX REMUNERATION THEREOF FOR THE RE-APPOINTMENT OF MANAGER

Mr.Sanjay Prabhakar Ingle was appointed as Manager of the Company on 16th August 2012 for a period of 3 years. Consequently, his term as Manger ends on 15th August 2015. Thus, a proposal to re-appoint him for a further period of 3 years is placed before the Members for their approval.

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The Members are informed that the Nomination and Remuneration Committee met on 29th July, 2015 to consider the recommendation of the Nomination and Remuneration Committee to fix the remuneration payable to Mr.Sanjay Prabhakar Ingle, Manager of the Company on his appointment. Consequently, the Board of Directors also approved the remuneration at its Meeting held on 29th July 2015, and that the remuneration paid/payable is as per the HR policy of the Company together with yearly increments not exceeding Rs.60,00,000 per annum. The remuneration is placed before the Members for consideration and approval.

I. General Information:

(1) Nature of Industry:

To Company is engaged in the business to undertake Design, Engineering, Finance, Procurement, Construction, Operation and Maintenance of 6 laning of Pimpalgaon – Nashik – Gonde Section of NH – 3 for 60 kms in the State of Maharashtra under NHDP Phase III on Design, Build, Finance, Operate and Transfer (DBFOT) basis.

(2) Date or expected date of commencement of commercial production.

The project is in operation stage with first COD received on 02.10.2012.

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

Not applicable.

(4) Financial performance based on given indicators.

The Financial performance of the Company was fair.

(5) Foreign investments or collaborators, if any.

Not applicable.

II. Information about the appointee:

1. Background details

Mr.Sanjay Prabhakar Ingle, has completed his B.E Civil engineering and a diploma in Construction Management. He has a vast experience of 16 years in Highway Construction, 5 years in Building construction and 2 years in teaching in Engineering College.

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2. Past remuneration

He has been drawing remuneration of Rs.20,35,100 per annum.

3. Recognition or awards

He has received Sammanit recognition Award from L&T IDPL on 25th February 2013 for his valuable contribution to organisation which was beyond the normal call of his duty under compelling circumstances.

4. Job profile and his suitability.

With his post as Project Manager of the Company, he will be responsible for all day to day activities of the project including interaction with NHAI,IE,EPC Contractors, District administration, Court matters and claims management with NHAI and EPC Contractors.

With his vast experience and qualification, Mr.Sanjay Prabhakar Ingle, fits to the post of Manager.

5. Remuneration proposed.

A remuneration not exceeding Rs.60,00,000 per annum is proposed to be paid to Mr.Sanjay Prabhakar Ingle as per the HR policy of the Company.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.

The Comparative details are not available.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personal, if any.

There are no pecuniary relationships between Mr.Sanjay Prabhakar Ingle, directly or indirectly with the Company or with managerial personnel of the Company.

III. Other information:

1. Reasons of loss or inadequate profits.

The Company is facing losses due to reduction in traffic when compared to the budgeted/expected traffic flow which has resulted in reduced toll collection.

2. Steps taken or proposed to be taken for improvement.

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The Company has been taking efforts to improve its financial position by better utilizing of the funds available with the Company.

3. Expected increase in productivity and profits in measurable terms.

The Company is expected to considerably increase its profitability in the near future.

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

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

By Order of the Board

For **PNG TOLLWAY LIMITED**



T.S.VENKATESAN
DIRECTOR

DIN NO: 01443165

Flat - F3, Block-4, Nutech Indira, 150 Pillayar Koil St,
Jaffarkhanpet, Ashok Nagar, Chennai, 600083,
Tamil Nadu, INDIA

Dated: 31.08.2015

Place: Chennai

Annexure A

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

Name of Director	Mr. Manoj Anil Dave
Date of Birth	23/05/1962
Nationality	Indian
Date of Appointment on the Board	09/07/2012
Qualification	Diploma in Mechanical Engineering
Experience	33 years
Directorships in other companies	1.L&T Krishnagiri Walajahpet Tollway Limited 2.L&T Devihalli Hassan Tollway Limited 3.L&T Western Andhra Tollways Limited 4.L&T Vadodara Bharuch Tollways Limited 5.L&T Interstate Road Corridor Limited 6.L&T Chennai Tada Tollways Limited 7.Indian Highways Management Company Limited 8.L&T Samakhiali Gandhidham Tollway Limited 9. L&T Krishnagiri Thopur Toll Road Limited
Memberships/ Chairmanships of committees across all companies	Nil
Shareholding in the Company	Nil
Relationship with Directors	Nil

BOARD'S REPORT

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

FINANCIAL RESULTS

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

Particulars	2014-15	2013-14
	In ₹	In ₹
Profit/(loss) before depreciation, exceptional and extra ordinary items & tax	(1,35,40,24,762)	(45,02,24,633)
Less: Depreciation and amortisation	18,22,18,610	(12,63,57,330)
Profit/(loss) before exceptional and extraordinary items and tax	(1,53,62,43,372)	(32,38,67,303)
Profit/(loss) before extraordinary items and tax	(1,53,62,43,372)	(32,38,67,303)
Profit/(loss) before tax	(1,53,62,43,372)	(32,38,67,303)
Less: Provision for tax	–	–
Profit/(loss) after tax for the year carried to the balance sheet	(1,53,62,43,372)	(32,38,67,303)
Add: Balance brought forward from previous year	(70,84,64,246)	(38,45,96,943)
Balance carried to Balance Sheet	(2,24,47,07,618)	(70,84,64,246)

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

Gross total income including other income for the financial year under review were ₹86,30,39,405 as against ₹41,12,15,620 for the previous financial year. During the current year Gross toll revenue of ₹85,89,36,777 collected includes both on roads and structures component, thereby growth in total toll revenue. The gross toll collections for previous financial year ₹40,14,95,239 represent toll revenue only on road component and nil toll revenue on structure component.

CAPITAL EXPENDITURE

As at March 31, 2015 the gross fixed and intangible assets including leased assets, stood at ₹16,98,24,52,831 and the net fixed and intangible assets, including leased assets, at ₹16,73,25,01,365 Capital Expenditure incurred during the year amounted to ₹12,12,745.

DEPOSITS

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

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

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

SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

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

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

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no Related Party Transactions during the Year. The Company will adhere to the RPT Policy of the Holding Company and guidelines thereunder.

The disclosure as per Form AOC-2 of the Companies Act, 2013 is given in Annexure 2.

AMOUNT TRANSFERRED TO RESERVES

The Company incurred a loss during the financial year and no appropriation of profits to any specific reserve has been made.

DIVIDEND

The Company has posted losses during the year and no dividend is recommended.

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

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

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

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

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year the Company has incurred a sum of ₹4,67,238 on foreign currency expenditure. There were no foreign exchange earnings during the year.

RISK MANAGEMENT POLICY

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

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 under the said Act to spend during the year any amount on Corporate Social Responsibility.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The Internal Audit functions are carried out by M/s. Grant Thornton. The firm 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.

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

Mr. Manoj Anil Dave, Director, who retires by rotation at this Annual General Meeting, being eligible, offers himself for re-appointment.

Dr.A.Veeraragavan was appointed as Independent Director, in the Extraordinary General Meeting of the Company held on 30th March 2015.

Ms.Samyuktha Surendran was appointed as Independent Woman Director, in the Extraordinary General Meeting of the Company held on 30th March 2015.

Mr.Gopal C Pande was appointed as Chief Financial Officer of the Company on 24th February 2015.

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

Sr. No.	Name	Designation
1	Mr.Karthikeyan T.V	Director
2	Mr. Manoj Anil Dave	Director
3	Mr. T.S.Venkatesan	Director
4	Mr.Satish D Parakh	Director
5	Mr. A.Veeraragavan	Independent Director
6	Mrs.Samyuktha Surendran	Independent Woman Director

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

Sr. No.	Name	Designation
1	Mr. Sanjay Prabhakar Ingle	Manager
2	Mr.Gopal C Pande	Chief Financial Officer

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.

PNG TOLLWAY LIMITED

During the year six 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
May 6, 2014	4	4
July 14,2014	4	2
October 29, 2014	4	2
November 19,2014	4	2
February 24,2015	4	2
March 27, 2015	4	3

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

AUDIT COMMITTEE

The Company has constituted an Audit Committee in terms of the requirements of the Companies Act, 2013. The Members of the Audit Committee are Mr.Karthikeyan T.V, Dr.A.Veeraragavan and Mrs.Samyuktha Surendran.

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
May 6, 2014	3	3
July 14,2014	3	2
October 29, 2014	3	2
February 24,2015	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 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 POLICY ON DIRECTOR APPOINTMENT AND REMUNERATION

The Company has constituted the Nomination and Remuneration Committee in accordance with the requirements of the Companies Act, 2013 read with the rules made thereunder. The Members of the Nomination and Remuneration Committee are Mr.Karthikeyan T.V, Dr.A.Veeraragavan and Mrs.Samyuktha Surendran.

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

DECLARATION OF INDEPENDENCE

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

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form No. MGT – 9 is enclosed as Annexure 1 to this Report.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

- 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.
- 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.
- The Directors have prepared the Annual Accounts on a going concern basis.
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS

The Company had appointed Independent Directors only on 30th March 2015. Hence, this process is being taken up in this calendar year.

DISCLOSURE OF REMUNERATION

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

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

M/s.Gianender & Associates, hold office until the conclusion of the ensuing Annual General Meeting ("AGM"). The Board recommends the appointment of M/s.Gianender & Associates, Chartered Accountants, New Delhi as Auditors of the Company from the conclusion of the ensuing AGM until the conclusion of the sixth consecutive AGM. Certificate from the said audit firm has been received to the effect that they are eligible to act as Auditors of the Company under Section 141 of the Companies Act, 2013.

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

R.Thamizhvanan, Company Secretaries in practice, Chennai was appointed to conduct the secretarial audit of the Company for the financial year 2014-15, as required under Section 204 of the Companies Act, 2013 and Rules thereunder.

The secretarial audit report for the financial year 2014-15 is attached as Annexure 3 to this Report.

It contains the following qualification, reservation or adverse remark:

The Company does not have a whole-time secretary as required by Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

Management 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 its employees, Financial Institutions, Banks, Central and State Government authorities, Regulatory authorities, NHAI and all other stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

Place : Chennai

Date : April 29, 2015

T. S. VENKATESAN

Director
DIN: 01443165

KARTHIKEYAN T. V.

Director
DIN: 01367727

ANNEXURE 1**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	U45203TN2009PLC070741
Registration Date	16/02/2009
Name of the Company	PNG 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	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharepro Services India Pvt. Ltd. 13 AB Samitha Warehousing Complex, 2nd Floor, Saki Naka Telephone Exchange Lane, Sakinaka, Andheri East Mumbai – 400072 Phone: +91 22 67720329 ; Mobile: +919833515383

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares held	Applicable Section
1	Nil	Nil	Nil	Nil	Nil

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.	169099996	4*	169100000	100	169099996	4*	169100000	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	169099996	4*	169100000	100	169099996	4*	169100000	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)	169099996	4*	169100000	100	169099996	4*	169100000	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)	169099996	4*	169100000	100	169099996	4*	169100000	100	-

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

(ii) Shareholding of Promoters

SI No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares*	No. of Share	% of total Shares of the company	% of Shares Pledged / encumbered to total shares*	
1	L&T Infrastructure Development Projects Limited (including nominees)	81168000	48%	24.48%	81168000	48%	24.48%	-
2	Larsen & Toubro Limited	43966000	26%	13.26%	43966000	26%	13.26%	-
3	Ashoka Concessions Limited	43966000	26%	13.26%	43966000	26%	13.26%	-
	Total	169100000	100%	51%	169100000	100%	51%	-

* Based on information received from Promoters

(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
	At the beginning of the year	169100000	100%	169100000	100%
	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):	–	–	–	–
	At the End of the year	169100000	100%	169100000	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
	At the beginning of the year	–	–	–	–
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	At the End of the year (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
	At the beginning of the year	–	–	–	–
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	At the End of the year	–	–	–	–

V. INDEBTEDNESS

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

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12,61,80,60,004	2,40,23,60,000	–	15,02,04,20,004
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	37,59,40,631	–	37,59,40,631
Total (i+ii+iii)	12,61,80,60,004	2,77,83,00,631	–	15,39,63,60,635
Change in Indebtedness during the financial year				
Addition	22,99,57,900	1,15,10,00,000	–	1,38,09,57,900
Reduction	(40,58,00,004)	–	–	(40,58,00,004)
Net Change	(17,58,42,104)	1,15,10,00,000	–	97,51,57,896
Indebtedness at the end of the financial year				
i) Principal Amount	12,44,22,17,900	3,55,33,60,000	–	15,99,55,77,900
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	66,33,77,994	–	66,33,77,994
Total (i+ii+iii)	12,44,22,17,900	4,21,67,37,994	–	16,65,89,55,894

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹)

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Manager: Mr. Sanjay Prabhakar Ingle	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20,35,100	20,35,100
	(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)	20,35,100	20,35,100
	Ceiling as per the Act	76,82,330 per annum	76,82,330 per annum

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		Dr. A. Veeraragavan	Mrs. Samyuktha Surendran			
1	Independent Directors					
	Fee for attending board / committee meetings					
	Commission					
	Others, please specify	Nil	Nil			
	Total (1)	Nil	Nil		Nil	
		Mr. Karthikeyan T. V	Mr. T. S. Venkatesan	Mr. Manoj Anil Dave	Mr. Satish D Parakh	
2	Other Non-Executive Directors					
	Fee for attending board / committee meetings					
	Commission					
	Others, please specify	Nil	Nil	Nil	Nil	
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B) = (1 + 2)	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	(Sitting fees) not more than ₹ 1,00,000 per meeting of board or committee				

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
				Mr. Gopal C. Pande	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	NA	Nil	Nil	Nil

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
				Mr. Gopal C. Pande	
2.	Stock Option				
3.	Sweat Equity				
4.	Commission				
	- as % of profit				
	- others, specify...				
5.	Others, please Specify				
	Total				

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 29, 2015

T. S. VENKATESAN
Director
DIN: 01443165

KARTHIKEYAN T. V.
Director
DIN: 01367727

ANNEXURE 2**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

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
No material transactions during the year					

For and on behalf of the Board

Place : Chennai

Date : April 29, 2015

T. S. VENKATESAN

Director
DIN: 01443165

KARTHIKEYAN T. V.

Director
DIN: 01367727

ANNEXURE 3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 2014-15

[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,
PNG TOLLWAY LIMITED
P.O. BOX NO.979, MOUNT POONAMALLEE ROAD
MANAPAKKAM
CHENNAI-600089

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PNG TOLLWAY LIMITED** (here-in-after called the 'Company'). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **PNG TOLLWAY LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report :-

That in my opinion, the company has, during the audit period covering the financial year 2014-15 has complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by PNG TOLLWAY LIMITED, Chennai for the financial year 2014-15 to the provisions of

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder – **Not Applicable**;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder - **Not Applicable**;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not Applicable**;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992- **Not Applicable**;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not Applicable**;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not Applicable**;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable**;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable**;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable**;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not Applicable**;

I 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. I 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

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India-Not Applicable
- (j) The Listing Agreements entered into by the Company with stock Exchanges for securities-Not Applicable

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

I further report that:-

The Board of Directors & the Committees of the Company are duly constituted. 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 at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' view are captured and recorded as part of the minutes

I 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.

I further report that during the audit period the company has complied with the following compliances with respect to the new Companies Act 2013 to the extent notified and applicable.

- a. Appointment of Key Managerial Personnel – Manager & CFO.
- b. Constitution of various committees as applicable.
- c. Appointment of Internal Auditors.
- d. Appointment of Secretarial Auditor.
- e. The company does not have a whole-time secretary as required by Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

Place: Chennai
Date: 24.04.2015

Sd/-
R. THAMIZHVANAN
(COMPANY SECRETARY IN PRACTICE)
CP NO. 3721

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PNG TOLLWAY LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of PNG Tollway Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the Assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors, as on 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

PUNEET KUMAR
Partner
M. No: 531830

Place : Chennai
Date : April 29, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS REPORT

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

RE: PNG TOLLWAY LIMITED

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) The Company is engaged in the business of operation of toll road on BOT basis, hence the Paragraph 3 (ii) (a), (b) & (c) of the Companies (Auditor's Report) Order 2015 relating to inventory are not applicable.
- (iii) According to the information & explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence reporting under Para-3 (iii) (a) and (b) of the Companies (Auditor's Report) Order 2013 does not arise.
- (iv) In our opinion, and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business, for the purchase of fixed assets and for collection of toll. In our opinion, and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
- (v) According to the information and explanations provided to us, the Company has not accepted deposits from the public within the meaning of Section 73 to 76 of the Companies Act 2013. Hence Para 4 (v) of the Companies (Auditor's Report) Order 2013 is not applicable to the Company.
- (vi) It has been represented by the Company that the maintenance of cost records under Section 148(1) of the Companies Act, 2013 are not applicable to the Company as the Company is in project implementation phase.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including Income tax, wealth tax, service tax, value added tax, cess and other statutory dues during the year with the appropriate authorities. As at 31st March 2015, there are no undisputed statutory dues payable for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there were no statutory dues pending in respect of income-tax, sales-tax, VAT, custom duty and cess on account of any dispute.
- (viii) The Company's accumulated losses at the end of the financial year are not less than fifty per cent of its net worth and it has incurred cash losses in such financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution or banks. The Company has not issued any debentures.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) According to the information and explanations given to us, the loans taken by the Company were applied for the purpose for which the loans were obtained.
- (xii) According to the information and explanations given to us, no fraud on or by the Company, noticed or reported during the year.

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

PUNEET KUMAR
Partner
M. No: 531830

Place : Chennai
Date : April 29, 2015

BALANCE SHEET AS AT MARCH 31, 2015

	Note No.	As at 31st March 2015		As at 31st March 2014	
		₹	₹	₹	₹
EQUITY AND LIABILITIES:					
Shareholders' funds					
Share capital	A	1,691,000,000		1,691,000,000	
Reserves and surplus	B	(2,244,707,618)		(708,464,246)	
			(553,707,618)		982,535,754
Non-current liabilities					
Long-term borrowings	C(I)	15,386,577,900		14,614,620,004	
Other Long-term liabilities	C(II)	817,867,994		530,430,631	
Long-term provisions	C(III)	215,349,098		95,121,752	
			16,419,794,992		15,240,172,387
Current liabilities					
Trade payables	D(I)	4,900,532		2,520,649	
Other current liabilities	D(II)	875,060,326		657,965,896	
Short-term provisions	D(III)	76,906,949		148,462,962	
			956,867,806		808,949,507
TOTAL			16,822,955,180		17,031,657,648
ASSETS					
Non-current assets					
Fixed assets					
Tangible assets	E(I)	57,808,730		71,012,731	
Intangible assets	E(II)	16,674,692,635		16,843,249,817	
			16,732,501,365		16,914,262,548
Long-term loans and advances	F		49,936,594		51,235,311
Current assets					
Cash and bank balances	G(I)	15,525,865		51,422,892	
Short-term loans and advances	G(II)	24,991,356		14,736,897	
			40,517,221		66,159,789
TOTAL			16,822,955,180		17,031,657,648
Contingent liabilities	H				—
Commitments	I				
Other notes forming part of accounts	P				
Significant accounting policies	Q				

As per our report of attached

For and on behalf of the Board

For GIANENDER & ASSOCIATES

Chartered Accountants

(Firm Registration No.: 04661N)

by the hand of

PUNEET KUMAR

Partner

Membership No.: 531830

GOPAL C. PANDE
Chief Financial Officer**KARTHIKEYAN T. V.**
Director
DIN: 01367727**T. S. VENKATESAN**
Director
DIN: 01443165Place : Chennai
Date : April 29, 2015Place : Chennai
Date : April 29, 2015

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

	Note No.	2014-15 ₹	2013-14 ₹
Revenue			
Net Revenue from Operations	J	786,263,788	370,845,636
Other income	K	4,102,628	9,720,381
Total Revenue		790,366,416	380,566,017
Expenses			
Operating expenses	L	258,703,204	153,366,774
Employee benefit expenses	M	9,076,084	7,894,615
Finance costs	N	1,863,943,413	659,450,449
Depreciation and amortisation	E	182,218,610	(126,357,330)
Administration and other expenses	O	12,668,476	10,078,812
Total Expenses		2,326,609,787	704,433,320
Profit/(loss) before tax		(1,536,243,372)	(323,867,303)
Tax Expense:			
Current tax	P(9)	—	—
Deferred tax	P(9)	—	—
		—	—
Profit/(loss) after tax for the year		(1,536,243,372)	(323,867,303)
Earnings per equity share (Basic and Diluted)	P(13)	(9.08)	(1.92)
Face value per equity share		10.00	10.00
Other notes forming part of accounts	P		
Significant accounting policies	Q		

As per our report of attached

For GIANENDER & ASSOCIATES
Chartered Accountants
(Firm Registration No: 04661N)
by the hand of

For and on behalf of the Board

PUNEET KUMAR
Partner
Membership No.: 531830

GOPAL C. PANDE
Chief Financial Officer

KARTHIKEYAN T. V.
Director
DIN: 01367727

T. S. VENKATESAN
Director
DIN: 01443165

Place : Chennai
Date : April 29, 2015

Place : Chennai
Date : April 29, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	2014-15 ₹	2013-14 ₹
A Net profit / (loss) before tax and extraordinary items	(1,536,243,372)	(323,867,303)
Adjustment for		
Depreciation and amortisation expense	182,218,610	(126,357,330)
Interest expense	1,863,943,413	659,450,449
Interest income	(198,135)	(243,792)
(Profit) on sale of fixed assets(net)	(10,000)	—
(Profit) on sale of current investments(net)	(3,548,982)	(9,262,707)
Operating profit before working capital changes	506,161,534	199,719,317
Adjustments for:		
Increase / (Decrease) in liabilities and provisions	29,290,157	529,541,249
(Increase) / Decrease in loans and advances	(8,955,743)	10,176,702
Net cash generated from/(used in) operating activities	526,495,949	739,437,268
Direct taxes paid (net of refunds)	—	—
Net Cash(used in)/generated from operating activities	526,495,949	739,437,268
B Cash flow from investing activities		
Purchase of fixed assets	(515,290)	(1,631,532,861)
Sale of fixed assets	67,863	—
Purchase of current investments	(889,500,000)	(1,485,157,000)
Sale of current investments	893,048,982	1,494,419,707
Interest income	198,135	243,792
Net cash (used in)/generated from investing activities	3,299,690	(1,622,026,362)
C Cash flow from financing activities		
Proceeds from long term borrowings	1,380,957,900	1,694,960,000
Repayment of long term borrowings	(405,800,004)	(236,739,996)
Interest paid	(1,540,850,562)	(620,713,492)
Net cash (used in)/generated from financing activities	(565,692,666)	837,506,512
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(35,897,027)	(45,082,582)
Cash and cash equivalents as at the beginning of the year	51,422,892	96,505,474
Cash and cash equivalents as at the end of the year	15,525,865	51,422,892

Notes:

- Cash flow statement has been prepared under the 'Indirect Method'.
- Cash and cash equivalents represent cash, term deposits with banks and bank balances.
- Previous year's figures have been regrouped/reclassified wherever applicable.
- Components of cash and bank balances are as under:

Particulars	₹	₹
Cash on Hand	3,817,524	4,932,556
Balance with Scheduled Banks - Current Accounts	11,597,677	4,388,672
Balance with Scheduled Banks in term deposits	—	42,000,000
Margin money deposit	110,664	101,664
Cash & Bank Balances	15,525,865	51,422,892

As per our report of attached

For and on behalf of the Board

For GIANENDER & ASSOCIATES

Chartered Accountants

(Firm Registration No: 04661N)

by the hand of

PUNEET KUMAR

Partner

Membership No.: 531830

GOPAL C. PANDE
Chief Financial Officer**KARTHIKEYAN T. V.**
Director

DIN: 01367727

T. S. VENKATESAN
Director

DIN: 01443165

Place : Chennai
Date : April 29, 2015Place : Chennai
Date : April 29, 2015

NOTES FORMING PART OF ACCOUNTS

NOTE A – SHARE CAPITAL

(i) Authorised, issued, subscribed and paid up

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	₹	No. of Shares	₹
Authorised:				
Equity shares of ₹ 10 each	169,100,000	1,691,000,000	169,100,000	1,691,000,000
Issued, subscribed and paid up				
Equity shares of ₹ 10 each fully paid	169,100,000	1,691,000,000	169,100,000	1,691,000,000

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

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	169,100,000	1,691,000,000	169,100,000	1,691,000,000
Issued during the year as fully paid	–	–	–	–
At the end of the year	169,100,000	1,691,000,000	169,100,000	1,691,000,000

(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.

During the year ended 31st March 2015 no dividend is declared by the Board of Directors (Previous Year NIL)

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

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	₹	No. of Shares	₹
L&T Infrastructure Development Projects Limited (Holding Company)	81,168,000	811,680,000	81,168,000	811,680,000
Larsen and Toubro Limited (Ultimate Holding Company)	43,966,000	439,660,000	43,966,000	439,660,000
Ashoka Concessions Limited (Including its nominees' holding)	43,966,000	439,660,000	43,966,000	439,660,000
	169,100,000	1,691,000,000	169,100,000	1,691,000,000

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

Name of the Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	%	No. of Shares	%
L&T Infrastructure Development Projects Limited (Holding Company)	81,168,000	48.00	81,168,000	48.00
Larsen and Toubro Limited (Ultimate Holding Company)	43,966,000	26.00	43,966,000	26.00
Ashoka Concessions Limited (Including its nominees' holding)	43,966,000	26.00	43,966,000	26.00

(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 March 31, 2015 As at March 31, 2014

₹

₹

NOTE B – RESERVES & SURPLUS

Surplus/(Deficit) as per Statement of Profit and Loss:

As per last Balance Sheet

(708,464,246) (384,596,944)

Add: Profit/(Loss) for the year

(1,536,243,372) (323,867,303)

TOTAL

(2,244,707,618) (708,464,246)

NOTE C(I) – LONG TERM BORROWINGS

Secured term loans from banks

11,833,217,900 12,212,260,004

Unsecured Loans from related parties

L&T Infrastructure Development Projects Limited (Holding Company)

2,388,380,000 1,387,380,000

Larsen and Toubro Limited (Ultimate Holding Company)

439,660,000 439,660,000

Ashoka Concessions Limited (Including its nominees' holding)

725,320,000 575,320,000

15,386,577,900 14,614,620,004

NOTE C(I)(A) – Details of term loans [Refer note C(I)(a)(i)]

Particulars	Rate of Interest	Rate of Interest
	As at 31.03.2015	As at 31.03.2014
State Bank of India UCO Bank Bank of Baroda Federal Bank South Indian Bank	SBI Base rate + applicable spread	SBI Base rate + applicable spread
Indian Bank	Indian Bank Base Rate + applicable spread	Indian Bank Base Rate + applicable spread

NOTE C(I)(a)(i) – The rate of interest of any lender shall not be lower than that of any other lender.**NOTE C(I)(B) – Nature of Security**

A First charge on all the immovable and movable properties of the Company relating to the project, both present and future except Project assets as defined in the Concession Agreement, all bank accounts of the Company and all Authorised investment or other securities representing all amounts credited in the Bank accounts.

NOTE C(I)(C) – 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	15,386,577,900	14,614,620,004
(ii) Current maturities of long term borrowings	609,000,000	405,800,000
	15,995,577,900	15,020,420,004

C(I)(D) – LOANS AND ADVANCES FROM RELATED PARTIES: (unsecured)

Particulars	Rate of interest	As at 31.03.2015	Rate of interest	As at 31.03.2014
		₹		₹
Mezzanine Debts from				
– L&T Infrastructure Development Projects Limited (Holding Company)	Bank Term Loan Rate + Spread	811,680,000	Bank Term Loan Rate + Spread	811,680,000
– Larsen & Toubro Limited (Ultimate Holding Company)		439,660,000		439,660,000
– Ashoka Concessions Limited		439,660,000		439,660,000
		1,691,000,000		1,691,000,000

NOTES FORMING PART OF ACCOUNTS (Contd.)

Particulars	Rate of interest	As at 31.03.2015 ₹	Rate of interest	As at 31.03.2014 ₹
– Un-secured Loans from	RBI Bank rate		RBI Bank rate	
– L&T Infrastructure Development Projects . Limited (Holding Company)		1,576,700,000		575,700,000
– Ashoka Concessions Limited		285,660,000		135,660,000
		1,862,360,000		711,360,000

	As at March 31, 2015		As at March 31, 2014	
	₹	₹	₹	₹
NOTE C(II) – OTHER LONG-TERM LIABILITIES				
Interest accrued but not due on Mezzanine Debt and Unsecured Loans		663,377,994		375,940,631
Liability for Negative Change of Scope		154,490,000		154,490,000
TOTAL		817,867,994		530,430,631
NOTE C(III) - LONG-TERM PROVISIONS				
Provision for employee benefits :				
Gratuity [Refer note P(2)(ii)]	767,776		279,555	
Compensated absences	1,058,741		619,616	
		1,826,517		899,171
Others :				
Provision for Major Maintenance [Refer Note No P(6)]		213,522,581		94,222,581
TOTAL		215,349,098		95,121,752
NOTE D(I) – TRADE PAYABLES				
Others		4,900,532		2,520,649
TOTAL		4,900,532		2,520,649

NOTE D(I)(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.

	As at March 31, 2015		As at March 31, 2014	
	₹	₹	₹	₹
NOTE D(II) – OTHER CURRENT LIABILITIES				
Current maturities of long term borrowings		609,000,000		405,800,000
Statutory liabilities		9,831,371		3,988,542
Due to related parties :				
Larsen and Toubro Limited (Ultimate Holding Company)		141,869,726		128,928,154
L&T Infrastructure Development Projects Limited (Holding Company)		3,866,428		385,057
Ashoka Buildcon Limited		18,313,295		52,990,658
Other payable [Refer note P(12)]		92,179,506		65,873,485
TOTAL		875,060,326		657,965,896

NOTES FORMING PART OF ACCOUNTS (Contd.)

As at March 31, 2015 As at March 31, 2014

₹ ₹

NOTE D(III) – SHORT TERM PROVISIONS

Provision for employee benefits

Gratuity	17,279	7,318
Compensated absences	44,495	30,628
Other provisions	76,845,175	148,425,016
TOTAL	76,906,949	148,462,962

NOTE E(I) – TANGIBLE ASSETS

PARTICULARS	COST				DEPRECIATION				BOOK VALUE	
	As at April 01, 2014	Additions	Deductions	As at March 31, 2015	Upto March 31, 2014	For the year	Deductions	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Owned										
Land [Refer note E(I)(a)]	940,000	–	–	940,000	–	–	–	–	940,000	940,000
Building	–	–	–	–	–	–	–	–	–	–
Plant and Equipment	54,746,187	–	–	54,746,188	11,457,283	7,828,186	–	19,285,469	35,460,719	43,288,904
Furniture and fixtures	5,592,703	51,125	21,263	5,622,565	1,023,646	555,525	4,961	1,574,210	4,048,355	4,569,057
Vehicles	20,221,828	–	–	20,221,828	4,193,287	3,162,567	–	7,355,854	12,865,974	16,028,541
Office equipment	9,904,267	878,817	84,742	10,698,342	4,872,039	1,752,332	84,741	6,539,630	4,158,712	5,032,228
Computers, laptops and printers	2,122,646	282,803	968,724	1,436,725	968,645	362,818	229,709	1,101,754	334,971	1,154,001
Total	93,527,631	1,212,745	1,074,729	93,665,648	22,514,900	13,661,428	319,411	35,856,917	57,808,730	–
Previous year	89,947,544	3,580,087	–	93,527,631	8,893,124	13,621,776	–	22,514,900		71,012,731

E(I)(a) - Land has been mortgaged to Senior Lenders**E(I)(b)** - The Company has reviewed the useful life of fixed assets and revised the useful life of computers and maintenance vehicles. Consequently, depreciation for the year is lower by ₹ 2,38,457/- and loss before tax for the year lower to that extent.**NOTE E(II) – INTANGIBLE ASSETS**

Particulars	COST				AMORTISATION				BOOK VALUE	
	As at April 01, 2014	Additions	Deductions	As at March 31, 2015	Upto March 31, 2014	For the year	Deductions	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Toll collection rights	16,888,787,183	–	–	16,888,787,183	45,537,366	168,557,182	–	214,094,548	16,674,692,635	16,843,249,817
Total	16,888,787,183	–	–	16,888,787,183	45,537,366	168,557,182	–	214,094,548	16,674,692,635	–
Previous year	6,376,926,090	10,511,861,093	–	16,888,787,183	184,838,437	31,864,964	(171,166,035)	45,537,366		16,843,249,817

NOTES FORMING PART OF ACCOUNTS (Contd.)

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE F – LONG TERM LOANS AND ADVANCES		
Unsecured, considered good		
Capital Advances		
To Larsen & Toubro Ltd (Ultimate Holding Company)	37,796,685	38,636,882
To Ashoka Buildcon Ltd	11,118,610	11,118,610
Security deposits	1,021,299	1,479,819
TOTAL	49,936,594	51,235,311

NOTE G(I) – CASH AND BANK BALANCES**Cash and cash equivalents**

Balances with banks		
In current accounts	11,597,677	4,388,672
Cash on hand	3,817,524	4,932,556
Other bank balances		
In deposit accounts with maturity less than three months	–	42,000,000
Margin money deposit against bank guarantee issued to Telecom Department (including interest accrued thereon)	110,664	101,664
TOTAL	15,525,865	51,422,892

NOTE G(II) – SHORT TERM LOANS AND ADVANCES**Unsecured, considered good**

Advances recoverable in cash or kind	12,705,711	3,043,136
Prepaid expenses	1,917,891	2,264,240
Taxes Receivable	10,367,755	9,429,521
TOTAL	24,991,356	14,736,897

NOTE H –

Contingent liabilities as at March 31, 2015 ₹ 9,59,00,000 (previous year: ₹ Nil) represents Additional Concession Fees claimed by National Highway Authority of India, not accepted by the Company due to claiming of force majeure events i.e., forced-exemptions and violations at toll plaza. The concessionaire declared this as a Dispute under the concession agreement and requested the process of dispute resolution be undertaken, to reach a settlement of the issue.

NOTE I –

Capital commitments as at March 31, 2015 net of advances ₹ 29,64,82,677/- (previous year: ₹ 30,83,49,548).

	2014-15 ₹	2013-14 ₹
NOTE J – REVENUE FROM OPERATIONS		
Operating revenue:		
Toll Collections	858,936,777	401,495,239
Less : Additional Concession fee to National Highway Authority of India (NHAI) [Refer note P(12)]	72,672,989	30,649,603
	786,263,788	370,845,636
TOTAL	786,263,788	370,845,636

NOTES FORMING PART OF ACCOUNTS (Contd.)

	2014-15		2013-14
	₹	₹	₹
NOTE K – OTHER INCOME			
Interest income from:			
Bank deposits	198,135		243,792
Profit on sale of current investments(net)	3,548,982		9,262,707
Other non operating income	355,511		213,882
TOTAL	4,102,628		9,720,381
NOTE L – OPERATING EXPENSES			
Concession fees	1		1
Toll Management fees	20,543,006		17,716,511
Security services	11,478,999		10,142,928
Insurance	5,781,259		4,935,152
Repairs and maintenance			
Provision for Major Maintenance	119,300,000		63,422,581
Toll road & bridge	31,818,465		18,312,725
Plant and machinery	9,756,141		1,637,856
Others	1,295,208		3,642,822
	162,169,814		87,015,985
Professional fees	38,419,388		16,580,766
Power and fuel	20,310,737		16,975,431
TOTAL	258,703,204		153,366,773
NOTE M – EMPLOYEE BENEFIT EXPENSES			
Salaries, wages and bonus	7,127,753		7,474,522
Contributions to and provisions for:			
Provident fund	437,844		359,933
Gratuity [Refer note P(2)(ii)]	328,818		(599,767)
Compensated absences	521,891		(116,100)
	1,288,553		(355,933)
Staff welfare expenses	659,778		776,027
TOTAL	9,076,084		7,894,615
NOTE N – FINANCE COSTS			
Interest on term loan	1,544,568,562		620,713,492
Interest on unsecured loans	319,374,851		38,736,957
TOTAL	1,863,943,413		659,450,449
NOTE O – ADMINISTRATION AND OTHER EXPENSES			
Rent, Rates and taxes	35,331		57,208
Professional fees [refer note (a) below]	973,599		819,414
Postage and communication	581,026		640,194
Printing and stationery	921,220		643,376
Travelling and conveyance	2,306,679		1,825,026
Computer Software Licence	1,239,535		1,841,580
Miscellaneous expenses	6,611,086		4,252,015
TOTAL	12,668,476		10,078,812

NOTES FORMING PART OF ACCOUNTS (Contd.)

	2014-15	2013-14
	₹	₹
(a) Professional fees includes Auditors remuneration (including service tax) as follows:		
a) As auditor	247,192	247,192
b) For taxation matters	92,697	92,697
c) For other services	251,911	258,091
TOTAL	591,800	597,980

NOTE P - OTHER NOTES FORMING PART OF ACCOUNTS**P(1) - Corporate information**

PNG Tollway Limited is a Special Purpose Vehicle (SPV) incorporated on 16th February 2009 for the purpose of conversion of two lane to six lane of NH3 from KM 380.00 to KM 440.00, Pimpalgaon-Nasik-Gonde Section in Nasik District of Maharashtra State, under Design, Build, Finance, Operate and Transfer (DBFOT) basis vide Concession Agreement dated 8th July 2009 jointly signed with National Highways Authority of India. The concession period is 20 years which includes construction period 30 Months and the concession period ends on 3rd January 2029. Partial Commercial operation was achieved from 1st October 2012 and full commercial operations are achieved on 12th March 2014.

P(2) - Disclosures pursuant to AS 15 (Revised) - Employee Benefits**(i) Defined contribution plan:**

An amount of ₹. 4,37,844/- (previous year : ₹. 3,59,933/-) being contribution made to recognised provident fund is a part of employee benefit for the year.

(ii) Defined benefit plans:**a) The amounts recognised in Balance Sheet are as follows:**

Particulars	2014-15 (₹)	2013-14 (₹)
A) Present value of defined benefit obligation		
– Wholly funded	–	–
– Wholly unfunded	785,055	286,873
Less : Fair value of plan assets	–	–
Amount to be recognised as liability or (asset)	785,055	286,873
B) Amounts reflected in the Balance Sheet		
Liabilities	785,055	286,873
Assets	–	–
Net Liability / (asset)	785,055	286,873

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

Particulars	2014-15 (₹)	2013-14 (₹)
1 Current service cost	79,832	73,173
2 Interest on Defined benefit obligation	25,773	61,287
3 Expected return on plan assets	–	–
4 Actuarial Gain/(Loss)	392,577	(568,616)
5 Past service cost	–	–
6 Effect of Curtailment or settlement	–	–
7 Actuarial gain/(loss) not recognised in books	–	–
8 Adjustment for earlier years	–	–
9 Translation adjustments	–	–
10 Amount capitalised out of the above	–	–
Total (1 to 10)	498,182	(434,156)
I Amount included in "employee benefit expenses"	–	–
II Amount included as part of "finance costs"	–	–
Total (I + II)	–	–
Actual return on plan assets	–	–

NOTES FORMING PART OF ACCOUNTS (Contd.)

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

Particulars	2014-15 (₹)	2013-14 (₹)
Opening balance of the present value of defined benefit obligation	286,873	721,029
Add: Current service cost	79,832	73,173
Add: Interest cost	25,773	61,287
Add: Contribution by plan participants		
i) Employer	–	–
ii) Employee	–	–
Add/(less): Actuarial losses/(gains)	392,577	(568,616)
Less: Benefits paid	–	–
Add: Past service cost	–	–
Add: Business combinations/acquisition	–	–
Closing balance of the present value of defined benefit obligation	785,055	286,873

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

1. Discount Rate per unit per annum	7.80%	9.10%
2. Salary escalation rate per unit per annum	6.00%	6.00%
3. Withdrawal / Attrition Rate	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages

- e) Present Value of Unfunded Obligation:

Particulars	As at 31st March 2015	As at 31st March 2014	As at 31st March 2013	As at 31st March 2012	As at 31st March 2011
Gratuity Plan (Unfunded)	785,055	286,873	721,029	236,774	121,992

P(3) – Disclosure of related parties/ related party transactions

- (i) List of related parties:

Ultimate Holding Company	Larsen & Toubro Limited
Holding company	L&T Infrastructure Development Projects Limited
Fellow Subsidiaries	<ol style="list-style-type: none"> 1 L&T Great Eastern Highway Limited * 2 L&T Sambalpur-Rourkela Tollway Limited 3 L&T Devihalli Hassan Tollway Limited 4 L&T Deccan Tollways Limited 5 Kudgi Transmission Limited 6 L&T Ahmedabad-Maliya Tollway Limited 7 L&T Halol-Shamlaji Tollway Limited 8 L&T Vadodara Bharuch Tollway Limited 9 L&T Krishnagiri Walahjapet Tollway Limited 10 L&T Rajkot-Vadinar Tollway Limited 11 L&T East-West Tollway Limited * 12 L&T General Insurance Company Limited
26% Equity share holder	Ashoka Concessions Limited
Key Management Personnel	
Manager	Sanjay Prabhakar Ingle

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

NOTES FORMING PART OF ACCOUNTS (Contd.)**(ii) Details of transactions with related parties:**

Nature of transaction/relationship	2014 – 15	2013 – 14
	₹	₹
1. Purchase of assets		
fellow subsidiaries:		
• L&T Ahmedabad Maliya Tollway Limited	22,517	—
• L&T East West Tollway Limited	28,506	—
2. Sale of assets		
Holding company & fellow subsidiaries,		
• L&T Infrastructure Development Projects Limited	34,271	—
• L&T Great Eastern Highway Limited	16,303	—
• L&T Sambalpur Rourkela Tollway Limited	32,480	—
• L&T Devihalli Hassan Tollway Limited	24,266	—
• L&T Deccan Tollways Limited	17,683	—
• Kudgi Transmission Limited	34,120	—
3. Subscription to equity shares (incl. equity advance)		
Holding company		
• L&T Infrastructure Development Projects Limited	—	206,978,380
26% equity share holder		
• Ashoka Concessions Limited	—	439,660,000
4. Interest expense		
Ultimate Holding company		
• Larsen & Toubro Limited	54,078,181	53,342,201
Holding company		
• L&T Infrastructure Development Projects Limited	190,939,969	119,594,101
26% equity share holder		
• Ashoka Concessions Limited	74,356,701	32,783,747
5. Reimbursement of expenses charged from		
Ultimate Holding company		
• Larsen & Toubro Limited	5,849,799	11,092,850
Holding company & fellow subsidiaries		
• L&T Ahmedabad Maliya Tollway Limited	8,000	30,479
• L&T Deccan Tollways Limited	6,901	—
• L&T Halol Shamlaji Tollway Limited	31,966	136,119
• L&T Vadodara Bharuch Tollway Limited	245,000	1,722,688
• L&T Infrastructure Development Projects Limited	17,733,691	18,113,762
• L&T Krishnagiri Walahjapet Tollway Limited	333,333	86,888
• L&T Rajkot Vadinar Tollway Limited	—	25,911
• L&T General Insurance Company Limited	5,750,846	6,504,208
6. Reimbursement of expenses charged to		
Ultimate Holding company, Larsen & Toubro Limited		
• Larsen & Toubro Limited	—	7,054
Holding company & fellow subsidiaries		
• L&T Infrastructure Development Projects Limited	218,049	442,740
• Kudgi Transmission Limited	1,300	—
• L&T Halol Shamlaji Tollway Limited	5,000	—

NOTES FORMING PART OF ACCOUNTS (Contd.)

Nature of transaction/relationship	2014 – 15	2013 – 14
	₹	₹
7. ICD / Promoters Loan / Mezzanine Debt received		
Ultimate Holding company		
• Larsen & Toubro Limited		
Holding company		
• L&T Infrastructure Development Projects Limited	1,001,000,000	575,700,000
26% equity share holder		
• Ashoka Concessions Limited	150,000,000	575,320,000
8. Refundable deposit received for Director's Nomination		
Holding company		
• L&T Infrastructure Development Projects Limited	200,000	–
9. Payment of salaries/perquisites		
Manager		
• Sanjay Prabhakar Ingle	2,035,100	1,957,858

(iii) 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				
• Equity Share Capital	439,660,000		439,660,000	
• EPC Cost	139,842,455		128,635,358	
• Mobilisation Advance		37,796,685		38,636,882
• Promoters mezzanine debt	439,660,000		439,660,000	
• Interest Promoters mezzanine debt	135,435,371		86,765,010	
• Reimbursement of expenses to	2,027,271		292,796	
ii. Holding company				
L&T Infrastructure Development Projects Limited				
• Equity Share Capital	811,680,000		811,680,000	
• Promoters mezzanine debt	811,680,000		811,680,000	
• Unsecured Loan	1,576,700,000		575,700,000	
• Interest on Loan	368,020,228		196,174,255	
• Services received	3,866,428		385,057	
iii. 26% equity share holder				
Ashoka Concessions Limited				
• Equity Share Capital	439,660,000		439,660,000	
• Promoters mezzanine debt	439,660,000		439,660,000	
• Unsecured loan	285,660,000		135,660,000	
• Interest on Loan	159,922,395		93,001,366	
Ashoka Buildcon Limited [Group company of Ashoka Concessions Limited]				
• EPC Cost	18,313,295		52,990,658	
• Mobilisation Advance		11,118,610		11,118,610

NOTES FORMING PART OF ACCOUNTS (Contd.)

- (iv) No amount due to or due from related parties has been written back or written off during the year (Previous year is ₹ Nil)
- (v) Out of limits of Holding Company L&T Infrastructure Development Projects Limited., Bank guarantees on behalf of PNG Tollway Limited for an amount of ₹ 48,87,50,000/- towards Debt Service Reserve to senior and sub lenders issued as per Facility Agreement as on March 31, 2015.

P(4) Disclosures pursuant to Accounting Standard 17 - "Segment Reporting"

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

P(5) Disclosure pursuant to Accounting Standard (AS) 19 "Leases"

The Company has taken premises on operating lease. The Company has taken office premises and Guest house under cancellable operating lease. These agreements are normally renewed on expiry. Lease rental expenses in respect of operating leases for the year ₹ 2,31,912/- (previous year: ₹ 7,70,458/- has been included in Pre-operative expenses).

P(6) Disclosures pursuant to Accounting Standard (AS) 29 - "Provisions, Contingent Liabilities and Contingent Assets"

a) Movement in provisions:

Particulars	Major Maintenance Reserve (₹)
Opening Balance as at 1-4-2014	94,222,581
Additional provision during the year	119,300,000
Provision used/reversed during the year	—
Balance as at 31-3-2015	213,522,581
Represented as:	
- Long Term Provision	213,522,581
- Short Term Provision	—

b) Nature of provisions:

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

For this purpose, besides a regular maintenance, periodic major maintenances 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, the periodic maintenance is expected to occur over a period 5-7 years. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of prudence, based on estimates, a provision for major maintenance expenses is provided for in the books annually.

c) Contingent Liabilities:

Disclosure in respect of contingent liabilities is given as part of Note (H) to the Balance Sheet.

P(7) The Wealth Tax Act, 1957

The Company does not have taxable wealth under the provisions of the Wealth Tax Act, 1957.

P(8) Foreign currency transactions

Nature of Expenses	₹	₹
	2014 - 15	2013 - 14
Income in foreign currency	—	—
Expenditure in foreign currency - Purchase of Toll collection equipment	467,238	—

P(9) Disclosures pursuant to AS 22 - Accounting for Taxes on Income

The Company does not have taxable income and hence provision for current tax has not been made. The Company is eligible for deduction under Section 80(IA) of The Income Tax Act 1961 and the tax holiday period for the Company's project falls within the concession period of the Company as defined in Section 80(IA). Since deferred tax on timing differences between accounting income and taxable income that arise during the year is reversing during such tax holiday period, no deferred tax asset/liability arises and accordingly no provision is made in the accounts.

NOTES FORMING PART OF ACCOUNTS (Contd.)**P(10) 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	(1,536,243,372)	(323,867,303)
Weighted average number of shares outstanding	B	169,100,000	169,100,000
Basic and Diluted EPS (₹)	A / B	(9.08)	(1.92)
Face value per equity share (₹)		10.00	10.00

P(11) 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(12)

During the year, the Company vide its letter dated 5th March 2015 informed NHAI that the Company will be deferring the payment of additional concession fees from February 2015 onwards because of Toll revenue shortfall. Unpaid additional concession fees of ₹1,46,83,637/- has been disclose under the head Other Current Liabilities.

P(13)

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(14) Previous Year Figures

The Company has reclassified and regrouped the previous year figures wherever considered necessary to confirm to this year's classification.

NOTES FORMING PART OF ACCOUNTS (Contd.)

NOTE Q – SIGNIFICANT ACCOUNTING POLICIES

1. Basis of accounting

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.

Amounts in the financial statements are presented in Indian Rupees rounded off to the nearest Rupee. Per share data is presented in Indian Rupees to two decimals places

3. Revenue recognition

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

A. Revenue from Operations

a. Service income

- 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

- a. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.
- b. Net gain on sale of investments is recognised at the time of actual sale/redemption.
- c. 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.

NOTES FORMING PART OF ACCOUNTS (Contd.)

(iii) Long Term Employee Benefits

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

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

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

5. Fixed Assets

Tangible

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

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

Intangible

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

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

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

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

6. Depreciation and Amortisation

Depreciation

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

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

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
Maintenance Vehicle	8
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.

NOTES FORMING PART OF ACCOUNTS (Contd.)

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:

- a. The provision for impairment loss, if any; and
- b. 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:

- 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.

NOTES FORMING PART OF ACCOUNTS (Contd.)

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

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

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

13. Segment accounting

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

14. Taxes on Income

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

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

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

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

15. Provisions, Contingent Liabilities and Contingent Assets

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

- a) the Company has a present obligation as a result of a past event.
- 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 event, 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 event 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.

NOTES FORMING PART OF ACCOUNTS (Contd.)

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 of attached

For GIANENDER & ASSOCIATES

Chartered Accountants

(Firm Registration No: 04661N)

by the hand of

PUNEET KUMAR

Partner

Membership No.: 531830

Place : Chennai

Date : April 29, 2015

For and on behalf of the Board

GOPAL C. PANDE
Chief Financial Officer

KARTHIKEYAN T. V.
Director
DIN: 01367727

T. S. VENKATESAN
Director
DIN: 01443165

Place : Chennai
Date : April 29, 2015

ATTENDANCE SLIP
PNG TOLLWAY LIMITED
CIN: U45203TN2009PLC070741

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

Sixth Annual General Meeting, Thursday, 24th September 2015 at 3.00 P.M.

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 Sixth Annual General Meeting of the Company, held on Thursday, 24th September, 2015 at 3.00 P.M. at the registered office of the Company at 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: U45203TN2009PLC070741

Name of the Company: PNG 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: failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Sixth Annual General Meeting of the Company, to be held on Thursday, 24th September 2015 at 3.00 P.M. at the Registered office of the Company at 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 Statement for the period from 1 st April, 2014 to 31 st March 2015 and the Reports of the Directors and Auditors thereon.		
2	Re-Appointment of Mr. Manoj Anil Dave (DIN No 02397312), Director who retires by rotation.		
3	Re-Appointment of Statutory Auditors of the Company and to fix their Remuneration.		
Special Business			
4	Approval for re-appointment of Mr.Sanjay Prabhakar Ingle as Manager of the Company		
5	Approval for remuneration to be paid to the Manager of the Company		

Signed this _____ day of _____ 2015

Affix
Revenue
Stamp

Signature of Shareholder

Signature of Proxy holder(s)

Note: 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.

TOLLWAY LIMITED

