

L&T BPP TOLLWAY LIMITED

Board of Directors:

Mr. T.S.Venkatesan

Mr. Manoj Kumar Singh

Mr. Mathew George

Ms. Samyuktha Surendran

Dr. Amirthalingam Veeraragavan

Statutory Auditors

M/s. Sharp & Tannan,  
Chartered Accountants

Registered Office

Post Box No.979

Mount Poonamallee Road

Manapakkam

CHENNAI - 600 089

## **NOTICE TO MEMBERS**

Notice is hereby given for the FIFTH ANNUAL GENERAL MEETING of the Members of L&T BPP TOLLWAY LIMITED to be held on Thursday, 29<sup>th</sup> September, 2016 at 11:00 A.M. at the Registered office of the Company located at Post Box No.979, Mount Poonamallee, Manapakkam, Chennai – 600 089 to discuss the following business:

### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements for the period from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016 and the Reports of the Board and Auditors thereon.
2. To consider and if thought fit to appoint Mr. T.S. Venkatesan (DIN: 01443165), who retires by rotation and being eligible, offers himself for reappointment, as Director of the company.
3. To ratify the appointment of the Statutory Auditors of the Company and to fix their Remuneration and for that purpose to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION** :

“**RESOLVED THAT**, the appointment of M/s Sharp & Tannan, Chartered Accountants (Firm Registration no. 003792S ) having their registered office at Parsn Manere, A-Wing, 3rd floor, 602, Anna Salai, Chennai-600006 as Statutory Auditors of the Company (for both standalone and consolidated financial statements) be and is hereby ratified to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration of Rs.2,88,000/- p.a for the financial year 2016-2017 excluding out of pocket expenses and taxes as applicable.

### **SPECIAL BUSINESS:**

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

“**RESOLVED THAT**, Mr. Mathew George (DIN: 07402208), who had been appointed as an Additional Director of the Company with effect from 19<sup>th</sup> January, 2016 and who, in terms of Section 161 of the Companies Act, 2013, holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a Notice

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

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

**“RESOLVED THAT**, pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, rule 14 of the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost records and audit) Rules, 2014, remuneration of ₹75,000/- per annum plus service tax approved by the Board for Mr.K.Suryanarayanan, Membership No.24946, a member of the Institute of Cost Accountant of India and a Cost Accountant in Practice, who was appointed as Cost Auditor of the Company to audit the cost records of the Company for the financial year 2016-17 during the Board meeting dated 16<sup>th</sup> September 2016, be and is hereby ratified.”

**By the Order of the Board  
For L&T BPP TOLLWAY LIMITED**



**K.C. Raman  
Authorized Signatory**

**Date: 16<sup>TH</sup> SEPTEMBER 2016**

**Place: Chennai**

**Notes:**

1. *The relative explanatory statement pursuant to section 102 of the Companies Act, 2013 in respect of the business under item nos. 4 and 5 set out above is annexed hereto.*
2. ***A member entitled to attend and vote is entitled to appoint a proxy to attend and to vote instead of himself and proxy need not be a member.*** *Proxy forms should be submitted to the company 48 hours before the commencement of the meeting.*
3. *Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.*
4. *All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the registered office of the company during business hours except on holidays, up to and including the date of the annual general meeting of the company.*
5. *Details of directors/manager seeking appointment/re-appointment at the annual general meeting of the company to be held on September 29, 2016 are provided in annexure A of this notice.*

## **EXPLANATORY STATEMENT**

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the special businesses under Item Nos. 4 and 5 accompanying the Notice dated 16<sup>th</sup> September 2016:

### **SPECIAL BUSINESS**

#### **Item no. 4:**

The members are hereby informed that Mr. Mathew George (DIN No: 07402208) was appointed as an Additional Director with effect from 19<sup>th</sup> January, 2016 and pursuant to the provisions of Section 161 of the Companies, Act 2013, he will hold the office of Additional Directorship until the conclusion of ensuing Annual general Meeting of the company.

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

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

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

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

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

#### **Item no. 5:**

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

Consequently, the Board of your company had appointed Mr.K.Suryanarayanan, Membership No.24946, a member of the Institute of Cost Accountant of India and a Cost Accountant in Practice, as the Cost Auditor of the company for the financial year 2016-17 at a remuneration of Rs. 75,000/- per annum plus service tax during the Board meeting held on 16<sup>th</sup> September 2016

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

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

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

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

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

**By the Order of the Board  
For L&T BPP TOLLWAY LIMITED**



**K.C. Raman  
Authorized Signatory**

**Date:** 16<sup>th</sup> September 2016

**Place:** Chennai

### **Annexure A**

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

<b>Name of Director</b>	<b>Mr. T.S. Venkatesan</b>	<b>Mr. Mathew George</b>
Date of Birth	26/01/1960	09/05/1968
Date of Appointment on the Board	May 25,2011	19/01/2016
Qualification	B.Com, ICWAI	Engineer, P.G.D.G.M in Finance and Strategy
Terms and Conditions of appointment and Remuneration	To be appointed as a Non-Executive Director, liable to retire by rotation with nil remuneration.	To be appointed as a Non-Executive Director, liable to retire by rotation with nil remuneration.
Experience	35 years of experiences	20 years of experience
Directorships in other companies	<ol style="list-style-type: none"> <li>1. L&amp;T Western Andhra Tollways Limited</li> <li>2. L&amp;T Chennai-Tada Tollway Limited</li> <li>3. PNG Tollway Limited</li> <li>4. L&amp;T Krishnagiri Walajahpet Tollway Limited</li> <li>5. Devihalli Hassan Tollway Limited</li> <li>6. L&amp;T Deccan Tollways Limited</li> <li>7. Vadodara Bharuch Tollway Limited</li> <li>8. L&amp;T Samakhiali Gandhidham Tollway Limited</li> </ol>	<ol style="list-style-type: none"> <li>1 Kudgi Transmission Limited</li> <li>2 L&amp;T Panipat Elevated Corridor Limited</li> <li>3 L&amp;T Western Andhra Tollways Limited</li> <li>4 Vadodara Bharuch Tollway Limited</li> <li>5 Devihalli Hassan Tollway Limited</li> <li>6 L&amp;T Sambalpur - Rourkela Tollway Limited</li> <li>7 L&amp;T Transportation Infrastructure Limited</li> </ol>
Number of Board Meetings attended during the year	3	Nil
Memberships/ Chairmanships of committees across all companies	Member Audit Committee <ol style="list-style-type: none"> <li>1. L&amp;T Western Andhra Tollways Limited</li> <li>2. L&amp;T Chennai-Tada Tollway Limited</li> <li>3. L&amp;T Krishnagiri Walajahpet Tollway Limited</li> </ol>	Member Audit Committee L&T Sambalpur - Rourkela Tollway Limited  Nomination and Remuneration Committee L&T Sambalpur - Rourkela Tollway Limited



	<p>4. Devihalli Hassan Tollway Limited</p> <p>5. L&amp;T Samakhiali Gandhidham Tollway Limited</p> <p>6. L&amp;T Deccan Tollways Limited</p> <p>7. PNG Tollway Limited</p> <p>Nomination and Remuneration Committee</p> <p>1. L&amp;T Western Andhra Tollways Limited</p> <p>2. L&amp;T Chennai-Tada Tollway Limited</p> <p>3. L&amp;T Krishnagiri Walajahpet Tollway Limited</p> <p>4. Devihalli Hassan Tollway Limited</p> <p>5. L&amp;T Deccan Tollways Limited</p> <p>6. L&amp;T Samakhiali Gandhidham Tollway Limited</p> <p>7. PNG Tollway Limited</p> <p>Corporate Social Responsibility Committee</p> <p>1. L&amp;T Samakhiali Gandhidham Tollway Limited</p>	
Shareholding in the Company	Holding 1 Share jointly with L&T Infrastructure Development Projects Limited	Nil
Relationship with other Directors/KMP	Nil	Nil

**BOARD'S REPORT**

The Directors of your Company are pleased to present their Report and the Company's audited financial statements for the financial year ended March 31, 2016.

**FINANCIAL RESULTS**

The Company's financial performance, for the year ended March 31, 2016 is summarised below:

Particulars	2015-16	2014-15
	₹ in Crore	₹ in Crore
Profit / (Loss) before Depreciation, exceptional and extra ordinary items & Tax	26.09	(0.02)
Less: Depreciation, amortization and obsolescence	73.75	-
Profit / (Loss) before exceptional and extraordinary items and tax	(47.66)	(0.02)
Add: Exceptional Items	-	-
Profit / (Loss) before extraordinary items and tax	(47.66)	(0.02)
Add: Extraordinary items	-	-
Profit / (Loss) before tax	(47.66)	(0.02)
Less: Provision for tax	-	(0.08)
Profit / (Loss) for the period carried to the balance sheet	(47.66)	(0.10)
Add: Balance brought forward from previous year	(3.78)	(3.68)
Balance carried to Balance Sheet	(51.44)	(3.78)

**RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS**

The company commenced its operation from 11<sup>th</sup> June, 2015. The gross revenue and other income for the financial year under review were ₹243.56 crore as against ₹0.25 crore for the previous financial year. The loss before tax from continuing operations including extraordinary and exceptional items was ₹47.66 crore and the loss after tax from continuing operations including extraordinary and exceptional items of ₹47.66 crore for the financial year under review as against ₹0.02 crore and ₹0.10 crore respectively for the previous financial year, registering an increase of 99.95 % and 99.96 % respectively.

## **CAPITAL EXPENDITURE:**

As at March 31, 2016 the gross fixed and intangible assets including leased Assets, stood at ₹10,574.72 crore and the net fixed and intangible assets, including leased assets, at ₹10,500.43 crore. Capital Expenditure during the year amounted to ₹65.33 crore. Intangible asset of ₹2443.16 crore are capitalised during the year.

## **DEPOSITS**

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

## **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

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

## **SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES**

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

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

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

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

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

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

The disclosure as per Form AOC-2 of Companies Act, 2013 is given in Annexure I to this Report.



## **AMOUNT TRANSFERRED TO RESERVES**

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

## **DIVIDEND**

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

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

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

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS**

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

## **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

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

## **FOREIGN EXCHANGE EARNINGS AND OUTGO**

There were no foreign exchange earnings or outgo during the year.

## **RISK MANAGEMENT POLICY**

The company in its Meeting of the Audit Committee held on 31<sup>st</sup> July, 2015 has reviewed and adopted a Risk Management Policy and the same has been implemented. Risks that are faced by the Company are identified, monitored and appropriate mitigation actions are taken at various levels as needed. There are no Risks in the opinion of the Audit Committee that may threaten the existence of the Company.

## **INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

Your Company has designed and implemented a process driven framework for Internal Control on Financial Reporting System. For the year ended March 31, 2016, the Board is of the opinion that the Company has sound ICFR

commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations. The Statutory Auditor of the Company reviewed the adequacy of the Internal financial control over Financial Reporting of the company and the operating effectiveness of such control are reported in the Statutory Audit Report of the 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 to spend any amount on account of Corporate Social Responsibility under the said act during the year under review.

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

### **CHANGES IN DIRECTORS AND KMP**

Mr. T.S. Venkatesan, Director, who retires by rotation at this Annual General Meeting, being eligible, is offering himself for re-appointment.

Mr. Manoj Kumar Singh, Directors, whose term ended on Annual General Meeting held on 22<sup>nd</sup> September, 2015, re-appointed as Director in the said AGM.

Mr. Sharad Goel resigned as Director of the Company on 2<sup>nd</sup> January, 2016. The Directors record their sincere appreciation and deep gratitude for invaluable contribution made by him towards the development of the Company since its inception.

Mr. Mathew George appointed as additional Director of the Company on 19<sup>th</sup> January, 2016.

The Board of Directors of the Company as on March 31, 2016 are as follows:

<b>S.</b>	<b>Name</b>	<b>Designation</b>	<b>DIN</b>
1	Mr. T.S. Venkatesan	Director	01443165
2	Mr. Manoj Kumar Singh	Director	05228599
3	Mr. Mathew George	Additional Director	07402208
4	Dr. A. Veeraragavan	Independent Director	07138615
5	Mrs. Samyuktha Surendran	Independent Director	07138327



Mr. Vijay Venkatesh R. was resigned as Manager of the Company with effect from 24th December, 2015.

Mr. Karthikeyan T.V. has been appointed as Company Secretary of the Company with effect from 28<sup>th</sup> October, 2015.

The Key Managerial Personnel (KMP) of the Company as on March 31, 2016 are as given below:

Sr.	Name	Designation
1	Mr. P Padmanabhan	Chief Financial Officer
2	Mr. Karthikeyan T.V.	Company Secretary

### NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

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

During the year four 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
29 <sup>th</sup> April, 2015	5	4
31 <sup>st</sup> July, 2015	5	4
28 <sup>th</sup> October, 2015	5	4
19 <sup>th</sup> January, 2016	4	4

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

### AUDIT COMMITTEE

Your Company has constituted an Audit Committee in terms of the requirements of the Companies Act, 2013 comprising of Dr. A. Veeraragavan, Mrs. Samyuktha Surendran and Mr. T.S. Venkatesan as the members of the Committee.

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



Date	Strength of the Committee	No. of members present
29 <sup>th</sup> April, 2015	3	3
31 <sup>st</sup> July, 2015	3	3
28 <sup>th</sup> October, 2015	3	2
19 <sup>th</sup> January, 2016	3	3

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

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

### **COMPANY'S POLICY ON DIRECTOR APPOINTMENT AND REMUNERATION**

Your Company had constituted a Nomination and Remuneration Committee in accordance with the requirements of the Companies Act, 2013 read with the Rules made thereunder comprising of Dr. A. Veeraragavan, Mrs. Samyuktha Surendran and Mr. T.S. Venkatesan as the members of the Committee.

During the year, two Nomination and Remuneration 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
28 <sup>th</sup> October, 2015	3	2
19 <sup>th</sup> January, 2016	3	3

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

### **DECLARATION OF INDEPENDENCE**

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

*a*

## **EXTRACT OF THE ANNUAL RETURN**

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

## **DIRECTORS RESPONSIBILITY STATEMENT**

The Board of Directors of the Company confirm that:

- a. In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The Directors have prepared the Annual Accounts on a going concern basis.
- e. The Directors have laid down an adequate system of internal financial control with respect to reporting on financial statement and the said system is operating effectively.
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

## **PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS**

The Nomination and Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, committees and individual directors has to be made.

It includes circulation of questionnaires to all Directors for evaluation of the Board and its Committees, Board composition and its structure, its culture, Board effectiveness, Board functioning, information availability, etc. These questionnaires' also cover specific criteria and the grounds on which all directors in their individual capacity will be evaluated.





The inputs given by all the directors were discussed in the meeting of the Independent Directors held on 29<sup>th</sup> December, 2015, as per Schedule IV of the Companies Act, 2013. The performance evaluation of the Board, Committees and Directors was also reviewed by the Nomination and Remuneration Committee and the Board of Directors.

#### **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.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:**

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

#### **PROTECTION OF WOMEN AT WORKPLACE:**

The parent company Larsen & Toubro Limited (L&T) has formulated a policy on 'Protection of Women's Rights at Workplace' which is applicable to all group companies. This has been widely disseminated. There were no cases of sexual harassment received in the Company during 2015-16.

#### **AUDITORS AND AUDITORS' REPORT**

##### **STATUTORY AUDITORS**

The Company in the 4<sup>th</sup> Annual General Meeting held on 22<sup>nd</sup> September, 2015 for the Financial Year 2015-16 had appointed M/s. Sharp & Tannan, Chartered Accountants, (Firm Reg no: 003792S), Chennai as Statutory Auditors of the Company to hold office from the conclusion of that Annual General Meeting until the conclusion of the 9<sup>th</sup> Annual General Meeting of the Company to be held during the year 2020.

The Board recommends the ratification of the appointment of M/s. Sharp & Tannan, as Statutory Auditors of the Company from the conclusion of the ensuing AGM until the conclusion of the next AGM.

The Auditors' Report for the financial year 2015-16 is unqualified. The Notes to the accounts referred to in the Auditors' Report are self-explanatory and do not call for any further clarifications under section 134(3)(f) of the Companies Act, 2013.

##### **SECRETARIAL AUDITORS**

M/s. Alagar & Associates, Company Secretaries in practice, Chennai, was appointed as Secretarial Auditor to conduct the secretarial audit of the Company



for the financial year 2015-16, as required under Section 204 of the Companies Act, 2013 and Rules thereunder.

The secretarial audit report for the financial year 2015-16 is attached as Annexure III to this Report.

The Secretarial Audit Report for the financial year 2015-16 is unqualified.

### **ACKNOWLEDGEMENT**

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

**For and on behalf of the Board**



**T.S. Venkatesan**  
*Director*  
DIN: 01443165



**Mathew George**  
*Director*  
DIN: 07402208

*Place: Chennai*  
*Date: April 28, 2016*

## ANNEXURE II

## Form No. MGT-9

**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2016**

[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	U45203TN2011PLC080786
Registration Date	25/05/2011
Name of the Company	L&T BPP 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	L&T Infrastructure Development Projects Limited	U65993TN2001PLC046691	Holding	99.99%	2(46)



**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**  
i) **Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
<b>A. Promoters</b>								
1) <b>Indian</b>								
a) Individual/HUF	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-
d) Bodies Corp.	247199992	6*	247199998	100	247199992	6*	247199998	99.9999
e) Banks / FI	-	-	-	-	-	-	-	0.00%
f) Any Other....	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	247199992	6*	247199998	100	247199992	6*	247199998	99.9999
2) <b>Foreign</b>								
a) NRIs - Individuals	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>								
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	247199992	6*	247199998	100	247199992	6*	247199998	99.9999
<b>B. Public Shareholding</b>								
1) <b>Institutions</b>								
a) Mutual Funds	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-
d) State Govt (s)	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-



## (ii) Shareholding of Promoters

S. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	L&T Infrastructure Development Projects Limited (including nominees)	247199998	99.99%	Nil	247199998	99.99%	0.00%	0.00%
	<b>Total</b>	247199998	99.99%	Nil	247199998	99.99%	0.00%	0.00%

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

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	247199998	99.9999%	247199998	99.9999%
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	247199998	99.9999%	247199998	99.9999%



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

S. 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	2	0.0001	2	0.0001
	Date wise Increase / Decrease in Shareholding 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)	2	0.0001	2	0.0001

**(v) Shareholding of Directors and Key Managerial Personnel:**

S. 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	1	0.00%	1	0.00%
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	1	0.00%	1	0.00%

**V. INDEBTEDNESS**

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

(Amount in ₹. Crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1802.36	353.80	-	2156.16
ii) Interest due but not paid				
iii) Interest accrued but not due				

<b>Total (i+ii+iii)</b>	1802.36	353.80	-	2156.16
<b>Change in Indebtedness during the financial year</b>				
Addition	35.00	15.00	-	50.00
Reduction	(9.27)	-	-	(9.27)
<b>Net Change</b>	25.73	15.00	-	40.73
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1828.09	368.80	-	2196.89
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	1828.09	368.80	-	2196.89

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ in Crore			
S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Manager: Nil	
1.	Gross salary	N.A.	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5.	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act		-

### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount in ₹
1.	Independent Directors	Dr.A.Veeraragavan	Mrs. Samyuktha Surendran	
	Fee for attending board meetings	1,00,000	1,00,000	2,00,000
	Fee for attending Committee Meeting	70,000	70,000	1,40,000



	Commission	-	-	-
	Others	-	-	-
	<b>Total (1)</b>	1,70,000	1,70,000	3,40,000
		<b>Mr. T.S. Venkatesan</b>	<b>Mr. Mathew George</b>	<b>Mr. Manoj Kumar Singh</b>
2.	Other Non-Executive Directors Fee for attending board /committee meetings Commission Others, please specify	Nil	Nil	Nil
	<b>Total (2)</b>	Nil	Nil	Nil
	<b>Total (B)=(1+2)</b>			3,40,000
	<b>Total Managerial Remuneration</b>			
	<b>Overall Ceiling as per the Act</b>	Not more than ₹ 1 lakh per meeting of Board or Committee.		

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary Mr. Karthikeyan T. V.	CFO Mr. P. Padmanabhan	Total
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
		NA	Nil	Nil	Nil
		NA	Nil	Nil	Nil
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit	-	-	-	-



	- others, specify...				
5.	Others, please Specify	-	-	-	-
	<b>Total</b>	NA	Nil	Nil	Nil

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

**For and on behalf of the Board**



**T.S.Venkatesan**  
Director  
DIN: 01443165



**Mathew George**  
Director  
DIN: 07402208

Place: Chennai  
Date: April 28, 2016

## ANNEXURE I

## 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
The Company has not entered into material contracts or arrangements or transactions during the year with related party.					

Date(s) of approval by the Board, if any – 28<sup>th</sup> April 2016

For and on behalf of the Board



**T.S.Venkatesan**  
Director  
DIN: 01443165



**Mathew George**  
Director  
DIN: 07402208

Place: Chennai  
Date: April 28, 2016

**L&T BPP Tollway Limited**  
**Balance Sheet as at March 31, 2016**

Particulars	Note	As at March 31, 2016		As at March 31, 2015	
		₹	₹	₹	₹
<b>EQUITY AND LIABILITIES:</b>					
<b>Shareholders' funds</b>					
Share capital	A	2,47,20,00,000		2,47,20,00,000	
Reserves and surplus	B	(51,44,60,950)		(3,78,19,670)	
			1,95,75,39,050		2,43,41,80,330
<b>Non-current liabilities</b>					
Long-term borrowings	C(I)	1,01,56,91,49,305		21,46,89,14,000	
Other Long-term liabilities	C(II)	6,04,56,362		2,87,750	
Long-term provisions	C(III)	26,07,24,819		39,07,821	
			1,01,89,03,30,486		21,47,31,09,571
<b>Current liabilities</b>					
Trade payables	D(I)				
Total outstanding dues of creditors other than micro enterprises and small		38,55,018		-	
Other current liabilities	D(II)	1,92,09,68,041		49,77,07,996	
Short-term provisions	D(III)	5,26,605		14,95,134	
			1,92,53,49,664		49,92,03,130
<b>TOTAL</b>			<b>1,05,77,32,19,200</b>		<b>24,40,64,93,031</b>
<b>ASSETS</b>					
<b>Non-current assets</b>					
Fixed assets					
Tangible assets	E(I)	2,67,52,414		1,94,39,960	
Intangible assets	E(II)	1,04,97,76,43,836		26,44,98,973	
Intangible assets under development	E(III)	-		23,79,15,86,994	
			1,05,00,43,96,250		24,07,55,25,927
Long-term loans and advances	F		2,43,97,672		2,02,24,527
<b>Current assets</b>					
Current investments	G(I)	26,71,99,125		3,20,16,277	
Cash and bank balances	G(II)	12,82,77,102		5,01,49,936	
Short-term loans and advances	G(III)	34,89,49,051		22,85,76,364	
			74,44,25,278		31,07,42,577
<b>TOTAL</b>			<b>1,05,77,32,19,200</b>		<b>24,40,64,93,031</b>
Contingent liabilities	H				
Commitments	I				
Other notes forming part of accounts	P				
Significant accounting policies	Q				

As per our report attached  
**for SHARP & TANNAN**  
Chartered Accountants  
(Firm's Registration No. 003792S)


For and on behalf of the Board of

**P Rajesh Kumar**  
Partner  
Membership No.: 225366

  
Company Secretary

  
Chief Financial Officer

  
TSV Director

  
MG Director

Place: Chennai  
Date:

Place: Chennai  
Date:

**L&T BPP Tollway Limited**  
**Statement of Profit and loss for the period April to Mar 2016**

Particulars	Note	2015-16		2014-15	
		₹	₹	₹	₹
<b>REVENUE</b>					
Revenue from Operations	J	2,42,37,24,774		-	
Other income	K	1,19,15,115		25,48,249	
			2,43,56,39,889		25,48,249
<b>Total Revenue</b>			<b>2,43,56,39,889</b>		<b>25,48,249</b>
<b>EXPENSES</b>					
Operating expenses	L	42,17,74,583			
Employee benefit expenses	M	3,58,64,761			
Finance costs	N	1,66,02,97,198		5,48,412	
Depreciation and amortisation	E	73,75,16,735			
Administration and other expenses	O	5,68,27,891		21,81,183	
			2,91,22,81,168		27,29,595
<b>Total Expenses</b>			<b>2,91,22,81,168</b>		<b>27,29,595</b>
<b>Profit/(loss) before tax</b>			(47,66,41,279)		(1,81,346)
Tax Expense:					
Current tax		-		7,87,409	
			-		7,87,409
<b>Profit/(loss) after tax for the year</b>			<b>(47,66,41,279)</b>		<b>(9,68,755)</b>
Earnings per equity share (Basic and Diluted)	P(9)		(1.93)		-
Face value per equity share			10.00		10.00
Other notes forming part of accounts	P				
Significant accounting policies	Q				

As per our report attached  
**for SHARP & TANNAN**  
Chartered Accountants  
(Firm's Registration No. 003792S)

For and on behalf of the Board of

**P Rajesh Kumar**  
Partner  
Membership No.: 225366  
Place: Chennai  
Date:

  
Company Secretary

  
Chief Financial Officer

  
Director

  
Director

Place: Chennai  
Date:



**L&T BPP Tollway Limited**  
**Cash Flow Statement for the year ended March 31, 2016**

S. No.	Particulars	2015-16 ₹	2014-15 ₹
<b>A</b>	<b>Net profit / (loss) before tax and extraordinary items</b>	(47,66,41,279)	(1,81,346)
	Adjustment for		
	Depreciation and amortisation expense	73,75,16,735	-
	Interest expense	1,66,02,97,198	5,48,412.00
	Interest income	(1,31,561)	-
	Net gain on sale of investment	(1,00,41,357)	(19,10,578)
	(Profit)/loss on sale of fixed assets	14,15,479	-
	<b>Operating profit before working capital changes</b>	<b>1,91,24,15,215</b>	<b>(15,43,512)</b>
	Adjustments for:		
	Increase / (Decrease) in Liabilities and Provisions	56,84,10,641	(1,48,75,320)
	(Increase) / Decrease in Loans and Advances	(11,94,12,210)	1,42,85,462
	<b>Net cash generated from/(used in) operating activities</b>	<b>2,36,14,13,646</b>	<b>(21,33,370)</b>
	Direct taxes paid (net of refunds)	(51,33,622)	19,06,299
	<b>Net Cash(used in)/generated from Operating Activities</b>	<b>2,35,62,80,024</b>	<b>(2,27,071)</b>
<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of fixed assets	(67,35,68,019)	(7,94,14,88,050)
	Sale of fixed assets	5,42,454	1,01,861
	Purchase of current investments	(2,48,45,00,000)	(1,56,60,00,000)
	Sale of current investments	2,24,93,17,153	1,53,39,83,723
	Capital advance adjusted		7,65,19,967
	Gain on sale of current Investment	1,00,41,357	19,10,578
	<b>Net cash (used in)/generated from investing activities</b>	<b>(89,80,35,495)</b>	<b>(7,89,49,71,921)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Proceeds from Long Term borrowings	50,00,00,000	7,79,35,00,000
	Repayment of long term borrowings	(9,27,00,000)	-
	Interest paid	(1,59,33,76,237)	(5,48,412)
	Payment of Deferred payment liability	(19,40,41,125)	
	<b>Net cash (used in)/generated from financing activities</b>	<b>(1,38,01,17,362)</b>	<b>7,79,29,51,588</b>
	<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>7,81,27,166</b>	<b>(10,22,47,404)</b>
	<b>Cash and cash equivalents as at the beginning of the year</b>	<b>5,01,49,936</b>	<b>15,23,97,340</b>
	<b>Cash and cash equivalents as at the end of the year</b>	<b>12,82,77,102</b>	<b>5,01,49,936</b>

**Notes:**

1. Cash flow statement has been prepared under the 'Indirect Method'.
2. Cash and cash equivalents represent cash and bank balances.
3. Previous year's figures have been regrouped/reclassified wherever applicable.
4. Components of cash and cash equivalents :-
5. Purchase of fixed assets includes borrowing cost capitalized during the year.

Particulars	₹	₹
Balances with banks:		
-on current account	5,68,33,513	1,42,087
-on Fixed Deposits with less than 3 months maturity	4,50,90,369	5,00,07,849
Cash in hand and transit	2,63,53,220	-
	<b>12,82,77,102</b>	<b>5,01,49,936</b>

As per our report attached  
**for SHARP & TANNAN**  
Chartered Accountants  
(Firm's Registration No. 003792S)

For and on behalf of the Board of

**P Rajesh Kumar**  
Partner  
Membership No.: 225366

Company Secretary

Chief Financial Officer **TSV** Director

**MCS** Director

Place: Chennai  
Date:

Place: Chennai  
Date:

**NOTE A**

**Share Capital**

Authorised, issued, subscribed and paid up

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of shares	₹	No. of shares	₹
Authorised: Equity shares of ₹ 10 each	25,00,00,000	2,50,00,00,000	25,00,00,000	2,50,00,00,000
Issued, subscribed and fully paid up Equity shares of ₹ 10 each	24,72,00,000	2,47,20,00,000	24,72,00,000	2,47,20,00,000

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

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of shares	₹	No. of shares	₹
Equity Share: At the beginning of the year	24,72,00,000	2,47,20,00,000	24,72,00,000	2,47,20,00,000
Issued during the year as fully paid	-	-	-	-
Outstanding at the end of the year	24,72,00,000	2,47,20,00,000	24,72,00,000	2,47,20,00,000

(ii) Terms / rights attached to shares

- (a) 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.  
(b) The Company declares and pays dividends in Indian rupees. During the year ended March 31, 2016, no dividend has been declared/ proposed by Board of Directors (Previous year - Nil).  
(c) 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.  
(d) The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.  
(e) The shares issued carry equal rights of dividend declared by the Company except for proportionate dividend on shares allotted during the year and no restrictions are attached to any class of shareholders.

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

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of shares	₹	No. of shares	₹
Holding Company L&T Infrastructure Development Projects Limited (including nominee holding)	24,71,99,998	2,47,19,99,980	24,71,99,998	2,47,19,99,980
	24,71,99,998	2,47,19,99,980	24,71,99,998	2,47,19,99,980

(iv) Details of Shareholders holding more than 5% shares in the company:

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of shares	%	No. of shares	%
L&T Infrastructure Development Projects Limited (including nominee holding)	24,71,99,998	100	24,71,99,998	100

(v) 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

(vi) Calls unpaid : NIL, Forfeited Shares : NIL

**NOTE B**

**Reserves and surplus**

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹	₹	₹	₹
Surplus/(Deficit) as per Statement of Profit and Loss: As per last balance sheet	(3,78,19,670)		(3,68,50,915)	
Add: Profit/(Loss) for the year	(47,66,41,279)	(51,44,60,949)	(9,68,755)	(1,78,19,670)
		(51,44,60,949)		(1,78,19,670)

**NOTE C(i)**

**Long term borrowings**

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
a) Term loan from Banks (Refer Note - C(i)(a) and C(i)(b))	18,09,55,14,000	17,93,09,14,000
b) Unsecured Mezzanine Debt - [Refer Note - C(i)(a)]	3,68,80,00,000	3,53,80,00,000
Deferred Payment liability to NHAI	79,78,56,35,305	
	1,01,56,91,49,305	21,46,89,14,000

**C(I)(a) Secured loans from Banks**

Particulars	Rate of Interest	Terms of Repayment
	As at March 31, 2016	
Term Loan from Banks	Floating rate i.e. Base rate of Punjab National Bank (Lead Bank) plus spread	138 monthly instalments ranging from ₹ 9,270,000/- to ₹ 393,975,000/-

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

The term loans sanctioned to the Company, are secured by a first charge on all the tangible movable assets including project book debts, operating cash flows, receivables, movable plant and machinery both present and future including borrowers escrow account, all sub-escrow accounts and authorised investments, intangible assets of the Company including but not limited to Goodwill, rights, undertakings and the uncalled capital, assignment by way of security in all right, title and interest on the project documents, government approvals, guarantees, insurance contracts but excluding project assets as specified in Concession Agreement

**C(I)(c) Unsecured loan from Holding Company**

Particulars	Rate of Interest	Terms of Repayment
	As at March 31, 2016	
Mezzanine Debt	Interest free	(i) Unsecured Loans from Holding Company shall not be repaid before secured obligations are fully discharged to the complete satisfaction of lenders (ii) The unsecured loan from the Holding Company is a part of the Promoter's Contribution towards the Project cost and defined as required equal consideration as per Common Loan Agreement

**C(I)(d) Presentation of Long Term Borrowings in the Balance sheet is as follows:**

Particulars	As at March 31, 2016	As at March 31, 2015
(i) Long term borrowings (Refer Note C(I))	₹ 18,09,55,14,000	₹ 17,93,09,14,000
(ii) Current maturities of long term borrowings (Refer Note D(II))	₹ 18,54,00,000	₹ 9,27,00,000
	₹ 18,28,09,14,000	₹ 18,92,36,14,000

**C(I)(e) Presentation of Deferred payment liability in the Balance sheet is as follows:**

Particulars	As at March 31, 2016	As at March 31, 2015
(i) Deferred payment liability (Refer Note C(I))	₹ 79,78,56,35,505	-
(ii) Current maturities of deferred payment liability (Refer Note D(II))	₹ 1,01,51,00,545	-
	₹ 80,80,07,35,850	-

**NOTE C(II)**

**Other long-term liabilities**

Particulars	As at March 31, 2016	As at March 31, 2015
Interest accrued but not due on	₹	₹
Deferred Payment liability	₹ 6,01,68,612	-
Other liabilities	₹ 2,87,750	₹ 2,87,750
	₹ 6,04,56,362	₹ 2,87,750

**NOTE C(III)**

**Long-term provisions**

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for employee benefit	₹	₹
Gratuity (Refer note P(3)(iii))	₹ 20,96,710	₹ 17,51,010
Compensated absences	₹ 25,33,016	₹ 21,56,811
Retention Pay Scheme	₹ 20,46,844	-
Periodic Major Maintenance (Refer Note P(11))	₹ 25,40,08,249	-
	₹ 26,07,24,819	₹ 39,07,821

**NOTE D(I)**

**Trade payables**

Particulars	As at March 31, 2016	As at March 31, 2015
Due to other than Micro and Small Enterprises	₹	₹
Related parties:		
Holding Company	₹ 8,73,664	-
Others	₹ 29,81,354	-
	₹ 38,55,018	-

**Note D(IIa)**

There are no transactions during the year (previous year: ₹ Nil) or amount outstanding as at the beginning or end of the current or previous year 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.



**NOTE D(II)**  
**Other current liabilities**

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹	₹	₹	₹
Current maturities of long term borrowings (Refer note C(i)(d))		18,54,00,000		9,27,00,000
Current maturities of Deferred payment liability (Refer note C(i)(e))		1,01,51,00,545		
Statutory liabilities		17,94,284		79,68,072
Due to others				
Ultimate Holding Company				
- Construction cost	9,47,72,286		16,82,05,172	
- Others	-		2,35,445	
Holding Company			2,00,000	
Others	4,97,26,944	14,44,99,230	6,93,79,316	21,80,20,133
Liability for expenses		57,41,71,982		15,90,19,791
		<u>1,92,09,68,041</u>		<u>49,77,07,996</u>

**NOTE D(III)**  
**Short term provisions**

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹	₹	₹	₹
Provision for employee benefits				
Gratuity (Refer note P(3)(ii))	2,02,460		27,736	
Compensated absences	3,24,145		92,311	
Tax Provision			13,75,085	
(Incl of advance tax ₹ 424,175/-)		5,26,605		14,95,132
		<u>5,26,605</u>		<u>14,95,134</u>

## NOTE E(I) - Tangible assets

Particulars	Cost			Depreciation			(Amount in ₹)	
	As at April 1, 2015	Additions	Deductions	As at March 31, 2016	Up to March 31, 2015	Additions	Upto March 31, 2016	As at March 31, 2016
<b>Owned</b>								
Plant and Equipment	-	13,22,132	-	13,22,132	-	1,29,041	1,29,041	11,93,091
Computers, laptops and printers	22,09,357	15,60,651	10,62,970	27,07,038	18,73,961	3,90,587	12,87,100	14,19,938
Office equipment	47,23,171	5,50,152	5,74,512	46,98,811	25,16,983	8,86,777	30,74,556	16,24,255
Furniture and fixtures	87,84,855	4,97,435	29,76,768	63,05,522	19,45,582	8,49,356	13,38,822	49,66,700
Vehicles	1,09,42,359	92,85,862	-	2,03,28,221	8,83,256	18,96,535	27,79,791	1,75,48,430
<b>Total</b>	<b>2,66,59,742</b>	<b>1,33,16,232</b>	<b>46,14,250</b>	<b>3,53,61,724</b>	<b>72,19,782</b>	<b>41,52,296</b>	<b>86,09,310</b>	<b>2,67,52,414</b>
<i>Previous year</i>	<i>1,37,17,990</i>	<i>1,33,48,220</i>	<i>4,06,468</i>	<i>2,66,59,742</i>	<i>-1,70,388</i>	<i>3,04,607</i>	<i>72,19,782</i>	<i>1,94,59,960</i>

## NOTE E(II) - Intangible Assets

Particulars	Cost			Amortisation			(Amount in ₹)	
	As at April 1, 2015	Additions	Deductions	As at March 31, 2016	Up to March 31, 2015	Additions	Upto March 31, 2016	As at March 31, 2016
<b>Toll Collection Rights</b>								
	-	1,05,71,18,28,185	-	1,05,71,18,28,185	-	73,41,84,349	73,41,84,349	1,04,97,76,43,836
<b>Total</b>	<b>-</b>	<b>1,05,71,18,28,185</b>	<b>-</b>	<b>1,05,71,18,28,185</b>	<b>-</b>	<b>73,41,84,349</b>	<b>73,41,84,349</b>	<b>1,04,97,76,43,836</b>
<i>Previous year</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>

Details of amount charged to Statement of Profit and Loss account and Preoperative are as below

Particulars	2015-16	2014-15
	₹	₹
Statement of profit and Loss account	33,32,386	-
Preoperative expenses	8,19,910	34,04,001

**NOTE E(III)**

**Intangible assets under development**

Particulars	As at March 31, 2015	For the year	As at March 31, 2016
	₹	₹	₹
a) Construction cost			
EPC contract bills	19,64,10,74,690	20,55,13,254	19,84,65,87,944
Total (A)	19,64,10,74,690	20,55,13,254	19,84,65,87,944
b) Pre-operative expenses pending allocation			
Insurance	2,50,93,786	24,91,033	2,75,84,819
Repairs and maintenance	5,24,08,862	92,17,793	6,16,26,655
Power and fuel	36,71,876	27,85,338	64,57,214
Depreciation and amortisation	75,55,857	8,19,910	83,75,767
Salaries and wages	10,70,55,301	74,21,012	11,44,76,312
Provident fund	55,14,443	3,30,464	58,44,907
Gratuity	19,57,188	28,870	19,86,058
Compensated absences	15,33,387	3,62,791	18,96,178
Staff Welfare Expenses	97,12,465	12,27,431	1,09,39,896
Interest on borrowings (term loans)	3,04,58,23,241	39,20,07,251	3,43,78,30,492
Bank charges and bank guarantee charges	3,66,33,065	7,373	3,66,40,438
Vehicle hire charges	4,96,30,079	19,52,372	5,15,82,451
Rent	88,46,379	1,47,750	89,94,129
Rates and taxes	42,65,443	2,89,045	45,54,488
Professional fees	74,91,70,770	1,43,91,293	76,35,62,063
Printing and Stationery	17,50,038	91,676	18,41,714
Travelling and conveyance	56,76,067	3,00,537	59,76,604
Land acquisition Expenses	1,57,85,745	48,900	1,58,34,645
Miscellaneous expenses	1,84,28,308	5,50,309	1,89,78,617
Total (B)	4,15,05,12,299	43,44,71,149	4,58,49,83,449
Grand Total (A+B)	23,79,15,86,989	63,99,84,403	24,43,15,71,393
Less: Amount Capitalized during the current year			24,43,15,71,393
Balance in Intangible asset under development			-

**Note E(II)(a):**

Particulars	As at March 31, 2014	Additions 2014-15	As at March 31, 2016
	₹	₹	₹
Finance cost			
- Upfront fees	5,50,64,581	-	5,50,64,581
- Term loan interest	2,70,46,24,523	39,15,08,221	3,09,61,32,744
- Discounting charges	29,37,45,188	-	29,37,45,188
	3,05,34,34,292	39,15,08,221	3,44,49,42,513
Less: Income from temporary investments out of specific borrowings			
Gain on sale of investment in mutual funds	84,94,817	-	84,94,817
Interest Income from Banks	3,98,055	-	3,98,055
Amount reimbursed from NHAI	-	-	-
Less: Actual cost incurred	-	-	-
Less: Current tax thereon	12,81,821	-	12,81,821
	76,11,051	-	76,11,051
	3,04,58,23,241	39,15,08,221	3,43,73,31,462

**L&T BPP Tollway Limited**  
**Notes forming part of Accounts for the year ended March 31, 2016**

**Notes forming part of Accounts**

**NOTE F**

**Long term loans and advances**

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Security deposits	11,84,623	10,52,881
TDS and Work Contract Tax receivable	2,32,13,049	1,91,71,646
	<b>2,43,97,672</b>	<b>2,02,24,527</b>

**NOTE G(I)**

**Current investments**

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
Current Investment, Values at lower of cost or Fair Value , Unless stated otherwise		
Investment in Mutual funds	26,71,99,125	3,20,16,277
	<b>26,71,99,125</b>	<b>3,20,16,277</b>

**Details of Quoted investments:**

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
Aggregate amount of quoted current investment and market value thereof:		
Book Value	26,71,99,125	3,20,16,277
Fair Value	26,97,24,312	3,21,17,305

**NOTE G(II)**

**Cash and bank balances**

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
Cash and cash equivalents		
Balances with banks		
In current accounts	5,68,33,513	1,42,087
Cash on hand	2,63,53,220	-
Other bank balances		
In deposit accounts with maturity less than three months (including interest accrued thereon)	4,50,90,369	5,00,07,849
	<b>12,82,77,102</b>	<b>5,01,49,936</b>

**L&T BPP Tollway Limited**  
**Notes forming part of Accounts for the year ended March 31, 2016**

**Notes forming part of Accounts**

**NOTE G(III)**

**Short term loans and advances**

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
Unsecured, considered good		
Related parties:		
Ultimate Holding Company	19,903	-
Deposits	95,200	38,39,698
Retention Money	3,08,56,596	3,70,77,054
Advances to Sub-contractors	1,48,32,462	3,14,05,465
Utility shifting recoverable	15,31,53,824	15,31,59,224
Prepaid expenses	25,23,240	30,02,732
Work contract tax receivable	1,23,03,639	92,191
Other receivable	13,49,24,134	-
Other Advances	2,40,053	-
	<b>34,89,49,051</b>	<b>22,85,76,364</b>

**NOTE H**

**Contingent Liabilities**

There is no contingent liability during the current year and previous year.

**NOTE I**

**Commitments**

(1) Estimated amount of other contracts remaining to be executed on capital account (net of advances) is ₹ 5,709,510 as at March 31, 2016 (Previous year ₹1,048,787,995/-).

(2) The project had been awarded vide Concession Agreement dated June 22, 2011 by NHAI, to the Company for a concession period of 23 years (including construction period of 3 years). In terms of clause 26.2.1 of the Concession Agreement, the Company is required to pay an estimated additional concession fee of ₹ 80,994,776,972/- upon commencement of commercial operations over the residual concession period. The same was disclosed under commitments in the previous year which has been booked as liability on commencement of operations from June ,11 2015 during financial year 2015-16.



**NOTE J****Revenue from operations**

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
Toll Collections	2,38,03,70,373	-
Additional fee for overloaded vehicles	4,33,54,401	-
	<b>2,42,37,24,774</b>	<b>-</b>

**NOTE K****Other income**

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
Utility shifting income	-	5,09,265
Bank deposits	1,31,561	-
Net gain on sale of current Investment	1,00,41,357	19,10,578
Other non operating income	17,42,197	1,28,406
	<b>1,19,15,115</b>	<b>25,48,249</b>

**NOTE L****Operating expenses**

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹	₹	₹	₹
Toll Management fees		4,48,77,756		-
Security services		1,65,38,069		-
Insurance		49,62,173		-
Repairs and maintenance				
-Toll road & bridge	3,62,29,050		-	
-Periodic Major Maintenance	25,40,08,249		-	
-Plant and machinery	45,08,632		-	
-Others	1,48,03,835		-	
		30,95,49,766		-
Professional fees		1,75,06,947		-
Power and fuel		2,83,39,871		-
		<b>42,17,74,583</b>		<b>-</b>

**NOTE M**

**Employee benefit expenses**

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹	₹	₹	₹
Salaries, wages and bonus		2,64,77,148		-
Contributions to and provisions for:				
Provident fund (Refer P(3)(i))	15,47,709		-	
Gratuity (Refer P(3)(ii))	7,92,050		-	
Compensated absences	11,57,591		-	
Retention Pay Scheme	20,86,844		-	
		55,84,194		
Staff welfare expenses		38,03,419		-
		<b>3,58,64,761</b>		<b>-</b>

**NOTE N**

**Finance costs**

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹	₹	₹	₹
Interest on Term loans	1,59,29,83,098		-	
Interest on Deferred payment liability	6,69,20,961			
Interest paid to subsidiary	3,93,139			
Interest others				5,48,412
		1,66,02,97,198		-
		<b>1,66,02,97,198</b>		<b>5,48,412</b>

**NOTE O**

**Administration and other expenses**

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
Rent, Rates and taxes	16,50,239	20,524
Professional fees (Refer note (a) below)	2,63,50,899	6,12,362
Postage and communication	7,99,264	
Printing and stationery	18,45,754	
Travelling and conveyance	1,23,99,802	
Repairs and Maintenance - Others	41,82,186	
Loss on disposal of fixed asset	14,15,479	
Miscellaneous expenses	81,84,268	15,48,297
	<b>5,68,27,891</b>	<b>21,81,183</b>

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

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
As Auditor	4,46,550	2,24,720
For Taxation matters	1,71,750	1,40,450
For Certification	1,47,496	-
For Other Services	1,94,650	2,47,192
For Reimbursement of expenses	6,602	-
	<b>9,67,048</b>	<b>6,12,362</b>



**L&T BPP Tollway Limited**

Notes forming part of Accounts for the year ended March 31, 2016

**P(1) Corporate Information**

L&T BPP Tollway Limited is a Special purpose vehicle incorporated on 25th may 2011, to augment the existing road from KM 000.00 to KM 244.120 (approximately 244.120 km) on the Beawar - Pali - Pindwara section of National Highway No 14 in the State of Rajasthan by four-Laning on Design, Build, Finance, Operate and Transfer (DBFOT) basis, under Concession Agreement dated June 22, 2011 with the National Highways Authority of India (NHAI).

The Concession Agreement is for a period of 23 years from the appointed date (communicated by NHAI as December 19, 2011) as stated in clause 3.1.1 of Article-3 of the Concession Agreement. At the end of the concession period, the entire facility has to be transferred to NHAI, free and clear of all encumbrances, vide Article 38.1.1 of the Concession Agreement. The Company commenced operations on June 11, 2015

**P(2) Foreign Currency transaction**

- (i) There are no earnings in foreign currency during the current year and previous year.  
(ii) There is no expenditure in foreign currency during the current year and previous year  
(iii) Value of imports ( on C.I.F basis )

Particulars	2015-16	2014-15
	₹	₹
Capital goods	-	₹ 149,024,350

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

The contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense (Note M ) in the Statement of Profit and loss and under preoperative expenses as per the below details.

Particulars	2015-16	2014-15
	₹	₹
Statement of Profit and Loss	15,47,709	-
Preoperative expenses	3,30,464	20,62,444

**(ii) Defined benefit plans:**

- a) The amounts recognised in Balance Sheet are as follows.

Particulars	Gratuity plan	
	As at March 31, 2016	As at March 31, 2015
	₹	₹
A) Present value of defined benefit obligation		
- Wholly funded	-	-
- Wholly unfunded	22,99,170	17,78,746
	22,99,170	17,78,746
Less : Fair value of plan assets	-	-
Amount to be recognised as liability or (asset)	22,99,170	17,78,746
B) Amounts reflected in the Balance Sheet		
Liabilities	22,99,170	17,78,746
Assets	-	-
Net Liability / (asset)	22,99,170	17,78,746

**L&T BPP Tollway Limited**
**Notes forming part of Accounts for the year ended March 31, 2016**

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

Particulars	Gratuity plan	
	As at March 31, 2016	As at March 31, 2015
	₹	₹
1 Current service cost	5,61,533	4,97,521
2 Interest on Defined benefit obligation	1,37,660	1,26,937
3 Expected return on plan assets		
4 Actuarial losses/(gains)	(4,37,109)	(35,178)
5 Past service cost		-
6 Actuarial gain/(loss) not recognised in books		-
7 Adjustment for earlier years	5,58,836	(2,18,561)
Total (1 to 7)	8,20,920	3,70,719
I Amount included in "employee benefit expenses"	8,20,920	3,70,719
II Amount included as part of "finance costs"	-	-
Total (I + II)	8,20,920	3,70,719
Actual return on plan assets	-	-

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

Particulars	Gratuity plan	
	As at March 31, 2016	As at March 31, 2015
	₹	₹
Opening balance of the present value of defined benefit obligation	17,78,747	14,08,028
Add: Current service cost	5,61,533	4,97,521
Add: Interest cost	1,37,660	1,26,937
Add: Contribution by plan participants		
i) Employer	-	-
ii) Employee	-	-
Add/(less): Actuarial losses/(gains)	(4,37,109)	(35,178)
Less: Benefits paid	(3,00,496)	(2,18,561)
Add: Past service cost	5,58,836	-
Closing balance of the present value of defined benefit obligation	22,99,171	17,78,747

d) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at March 31, 2016	As at March 31, 2015
1) Discount rate	7.80%	7.80%
2) Salary growth rate	6.00%	6.00%
3) Attrition rate	15% at younger ages reducing to 3% at older ages	5% at younger ages reducing to 1% at older ages

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

Particulars	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Gratuity Plan (Unfunded)	22,99,170	17,78,746	14,08,028	8,95,816	3,66,891

f) Details of amount charged to Statement of Profit and Loss account and Preoperative are as below :

Particulars	2015-16	2014-15
	₹	₹
Statement of Profit and Loss	7,92,050	-
Preoperative expenses	28,870	3,70,718

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

Borrowing cost capitalised during the year ₹ 39,15,08,221. (previous year : ₹ 178,97,13,909)

**L&T BPP Tollway Limited**

Notes forming part of Accounts for the year ended March 31, 2016

**P(5) Segment Information**

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

**P(6) Disclosure of related parties / related party transactions pursuant to Accounting Standard (AS) 18 "Related Party Disclosures"**
**a) List of related parties with whom transactions have taken place during the year**

Holding company	L&T Infrastructure Development Projects Limited
Ultimate Holding company	Larsen & Toubro Limited

Fellow Subsidiary companies	L&T Rajkot-Vadinar Tollway Limited
	L&T Halol Shamlaji Tollway Limited
	L&T Ahmedabad Maliya Tollway Limited
	L&T Vadodara Bharuch Tollway Limited
	L&T Interstate Road Corridor Limited
	L&T Transportation Infrastructure Limited
	L&T Samakhiali Gandhidham Tollway Limited
	L&T Sambalpur-Rourkela Tollway Limited
	L&T Krishnagiri Walajahpet Tollway Limited
	L&T BPP Tollway Limited
	L&T General Insurance Company Limited

Key Managerial Personnel	Manager: Mr. Vijay Venkatesh ( Till Dec, 24 2015)
--------------------------	---

Nature of transactions	2015-16	2014-15
	Amount	Amount
	₹	₹
<b>1. Services received towards development of Intangible Assets</b>		
Ultimate Holding company Larsen & Toubro Limited		
Construction cost	5,71,30,114	3,55,05,15,370
Other Services	41,50,184	40,73,217
Holding company L&T Infrastructure Development Projects Limited	-	2,50,96,210
Fellow subsidiaries:		
L&T General Insurance Company Limited	67,64,135	3,88,705
L&T InfoTech Limited		24,11,470
	6,80,44,433	3,57,84,11,755
<b>2. Purchase of goods and services incl. taxes</b>		
Ultimate Holding company Larsen & Toubro Limited	23,97,292	-
Holding company L&T Infrastructure Development Projects Limited	2,67,45,782	-
	2,91,43,074	
<b>3. Purchase of assets</b>		
Holding company L&T Infrastructure Development Projects Limited	4	
Fellow subsidiaries:		
L&T Ahmedabad Maliya Tollway Limited	1	-
L&T Rajkot Vadinar Tollway Limited	-	6,32,318
L&T Halol Shamlaji Tollway Limited	-	50,503
	5	6,82,821
<b>4. Sale of assets</b>		
Fellow subsidiaries:		
L&T Interstate Road Corridor Limited	2	-
L&T Sambalpur Rourkela Tollway Limited	2,54,880	14,867
L&T Vadodara Bharuch Tollway Limited	2,31,904	40,042
	4,86,786	54,909

**L&T BPP Tollway Limited**
**Notes forming part of Accounts for the year ended March 31, 2016**

Nature of transactions	2015-16	2014-15
	Amount	Amount
	₹	₹
5. Reimbursement of expenses charged from Ultimate Holding company Larsen & Toubro Limited Holding company L&T Infrastructure Development Projects Limited	18,50,333	- 76,46,958
Fellow subsidiaries:		
L&T Halol Shantaji Tollway Limited	30,236	62,184
L&T Ahmedabad Maliya Tollway Limited	72,070	1,07,499
L&T Samakhiali Gandhidham Tollway Limited	-	13,409
L&T Krishnagiri Walahyapet Tollway Limited	64,384	19,184
	20,17,023	78,49,234
6. Reimbursement of expenses charged to Ultimate Holding company Larsen & Toubro Limited Holding company, L&T Infrastructure Development Projects Limited	52,72,895 3,13,473	70,68,118 4,38,632
Fellow subsidiaries:		
L&T Ahmedabad Maliya Tollway Limited	-	1,21,165
L&T Rajkot Vadinar Tollway Limited	67,917	-
	56,54,285	76,27,915
7. ICD / Mezzanine Debt Holding company L&T Infrastructure Development Projects Limited	15,00,00,000	1,43,00,00,000
Fellow subsidiary: L&T Transportation Infrastructure Limited	6,72,00,000	-
	21,72,00,000	1,43,00,00,000
8. Interest expenses Fellow subsidiary: L&T Transportation Infrastructure Limited	3,93,139	-
	3,93,139	-
9. Refundable deposit received for directors' nomination' Holding company L&T Infrastructure Development Projects Limited	1,00,000	2,00,000
	1,00,000	2,00,000
10. Key Managerial Personnel - Salary and Perquisites Manager - Mr. Vijay Venkatesh	21,17,733	9,42,910
	21,17,733	9,42,910

Particulars	2015-16		2014-15	
	Due to	Due from	Due to	Due from
	₹	₹	₹	₹
i. Ultimate Holding company Larsen & Toubro Limited	9,47,72,286	19,903	16,84,40,817	
ii. Holding company L&T Infrastructure Development Projects Limited	3,68,88,73,664		3,53,82,00,000	

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

**L&T BPP Tollway Limited**

Notes forming part of Accounts for the year ended March 31, 2016

**P(7) Disclosure pursuant to Accounting Standard (AS) 19 "Leases"**

The Company has taken office & guest house premises on cancellable operating lease.

Details of lease rental included in preoperative expenses and recognized in Statement of Profit and Loss are as below (Figures in brackets relate to previous year):

Particulars	2015-16	2014-15
	₹	₹
Statement of Profit and Loss	5,06,931	-
Preoperative expenses	1,47,750	21,96,224

**P(8) Major components of deferred tax liabilities and deferred tax assets:**

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

**P(9) 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		2015-16	2014-15
		₹	₹
<b>Basic and Diluted</b>			
Profit after tax as per accounts (₹)	A	(47,66,41,279)	(9,68,755)
Weighted average number of shares outstanding	B	24,72,00,000	24,72,00,000
<b>Basic and Diluted EPS (₹)</b>	A / B	(1.93)	"
Face value per equity share (₹)		10.00	10.00

**P(10) 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(11) Disclosures pursuant to Accounting Standard (AS) 29 - "Provisions, Contingent Liabilities and Contingent Assets"****a) Nature of provisions:**

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

For this purpose, a periodic major maintenance along with regular maintenances is required to be performed.

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

During the current year the Company has provided ₹ 25,40,08,249/- for periodic Major Maintenance in respect of its resurfacing obligation.

**b) Movement in provisions:**

Description	As on April 1st 2015	Addition during the year	Utilised during the year	As on March 31st 2016
Major Maintenance Provision	-	25,40,08,249	-	25,40,08,249

**c) Contingent Liabilities**

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

**P(12) Expense towards work done by subcontractors and reimbursement is yet to be approved by NHAI are accrued under Liability for expenses and corresponding reimbursement receivable are included under Utility Shifting recoverable since amount is payable to the subcontractor for such work on receipt of reimbursement from NHAI.****P(13) Previous Year Figures**

Corresponding figures of previous year have been regrouped/reclassified wherever necessary. The Company achieved commercial operation date on June 11 2015, hence previous year figures are not comparable.

## **Q. Significant Accounting Policies**

### **1. Basis for preparation of accounts**

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

### **2. Use of estimates**

The preparation of financial statements in conformity with GAAP requires that the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to the accounting estimates is recognised prospectively in the current and future periods. Estimates include the useful lives of tangible and intangible assets, provisions for resurfacing obligations, employee benefit plans, and provision for income taxes and provision for diminution in the value of investments.

### **3. 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 two decimal places in line with the requirements of Schedule III. Per share data are presented in Indian Rupees to two decimal places.

#### **4. 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**

###### **Toll Collections**

(i) Fee collections and Additional fee for overloaded vehicles from the users of the infrastructure facility are accounted for as and when the amount is due and the recovery is certain.

##### **B. Other Income**

(i) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

(ii) Net gain on sale of investments is recognised at the time of actual sale/redemption.

(iii) Other items of income are accounted for as and when the right to receive arises.

#### **5. Employee Benefits**

##### **(i) Short Term Employee Benefits**

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

##### **(ii) Post-Employment Benefits**

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

b) **Defined Benefit Plans:** The Company's obligation towards gratuity is a defined benefit plan.

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

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

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

**(iii) Long Term Employee Benefits**

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

**6. Tangible assets**

Fixed assets are stated at original cost net of refundable tax and duty credits including estimated cost of dismantling and removing the asset and restoring the site where it is located, less accumulated depreciation and accumulative impairment losses.

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

**7. Intangible Assets**

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.

The cost incurred during construction for work beyond the original scope per Concession agreement (normally referred as "Change of Scope") is capitalised as intangible asset under development as and when incurred. Reimbursement in respect such amounts from NHAI are reduced from the intangible assets to the extent of actual receipts.

Pre-operative expenses including 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 plus obligation towards negative grants payable to National Highway Authority of India ("NHAI"), if any. Till completion of the project, the same is recognised as intangible assets under development. The



**L&T BPP Tollway Limited**

Notes forming part of Accounts for the year ended 31<sup>st</sup> March 2016

revenue towards collection of toll/other income during the construction period is reduced from the cost of the intangible asset under development.

**8. Depreciation and Amortisation****Depreciation**

Depreciation on assets have been provided on straight-line pattern over useful life except on the category of assets specified in subsequent para 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 management's assessment.

Category of Asset	Useful life (years)
Motor cars	7
Office equipment	
Multifunctional devices printers, switches and projectors	4
Plant and Machinery	
Toll Collection System ( Categorized under Toll Collection Rights)	7
D G Set	12
Air Conditioning and refrigeration equipment except Split AC and Window AC	12
Split AC and Window AC	4
Maintenance Vehicle	8

The Company has carried out assessment of useful lives of these assets and based on technical evaluation, different useful lives have been arrived at in respect of above assets.

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. Assets individually costing less than Rs. 5,000/- are fully depreciated in the year of purchase.

**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.

**L&T BPP Tollway Limited**

Notes forming part of Accounts for the year ended 31<sup>st</sup> March 2016

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.

**9. Leases****Operating Leases**

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 Leases**

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.

**10. 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.

**L&T BPP Tollway Limited**

Notes forming part of Accounts for the year ended 31<sup>st</sup> March 2016

(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.)

**11. 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 fair 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 decline, if other than temporary in nature.

**12. 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.

**13. 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 net of income from temporary investments out of specific borrowings 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.

**14. Foreign currency transactions**

The reporting currency of the Company is the Indian Rupee.

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

**L&T BPP Tollway Limited**

Notes forming part of Accounts for the year ended 31<sup>st</sup> March 2016

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.

**15. 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.

**16. 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.

## **17. Provisions, Contingent Liabilities and Contingent Assets**

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

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

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

Contingent Liability is disclosed in the case of:

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

Contingent Assets are neither recognized, nor disclosed.

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

## **18. Operating cycle for current and non-current classification:**

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

## **19. 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.

## **20. Commitments**

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

**L&T BPP Tollway Limited**

Notes forming part of Accounts for the year ended 31<sup>st</sup> March 2016

- 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.

**21. Deferred Payment Liability**

Deferred payment liability towards additional concession fee payable under the Concession agreement are recognized, when the company becomes entitled to commence commercial operations and exercise the right to collect toll and the Authority has fulfilled its obligations in accordance with the terms of the concession agreement.

As per our report attached

**for SHARP & TANNAN**

Chartered Accountants


(Firm's Registration No.003792S)

For and on behalf of the Board

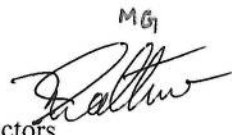
**P Rajesh Kumar**

Partner

Membership No. 225366

  
Company Secretary

  
Chief Financial Officer

  
Directors

Place:

Date:

Place:

Date:

## ATTENDANCE SLIP

**L&T BPP TOLLWAY LIMITED**

**CIN: U45203TN2011PLC080786**

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

5<sup>th</sup> Annual General Meeting, Wednesday, 29<sup>th</sup> September, 2016.

**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 5<sup>th</sup> Annual General Meeting of the Company, held on Wednesday, the 29 September, 2016 at 11:00 A.M. at the registered office of the Company at P.O. Box. 979, Mount Poonamallee Road, Manapakkam, Chennai - 600089.

\_\_\_\_\_  
Name of the member

\_\_\_\_\_  
Signature of Member

\_\_\_\_\_  
Name of the Proxy (In block letters)

\_\_\_\_\_  
Signature of Proxy

***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: U45203TN2011PLC080786**

**Name of the Company: L&T BPP Tollway Limited**

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

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

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

1. Name:

Address:

E-mail Id:

Signature: failing him

2. Name:

Address:

E-mail Id:

Signature: failing him

3. Name:

Address:

E-mail Id:

Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 5<sup>th</sup> Annual General Meeting of the Company, to be held on Wednesday, the 29<sup>th</sup> September, 2016 at 11:00 A.M. at the Registered office of the Company at P.O. Box. 979, Mount



Poonamallee Road, Manapakkam, Chennai – 600089 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions	For	Against
<b>Ordinary Business</b>			
1	Adoption of the audited Financial Statements for the period from 1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016 and the Reports of the Board and Auditors thereon.		
2	Re-appointment of Mr. T.S. Venkatesan (DIN: 01443165), Director who retires by rotation.		
3	Ratification of appointment of Statutory Auditors of the Company and to fix their Remuneration.		
<b>Special Business</b>			
4	Appointment of Mr. Mathew George (DIN: 07402208) as Director of the Company.		
5	Ratification of remuneration of the cost auditor for the year 2016–17.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Affix one  
Rupee  
Revenue  
Stamp

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Notes:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

4. This is only optional. Please put an 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

***Route map to the 5<sup>th</sup> AGM venue of L&T BPP Tollway Limited***

