



NOTICE TO MEMBERS

Notice is hereby given for the FOURTH ANNUAL GENERAL MEETING of the Members of KUDGI TRANSMISSION LIMITED to be held on Wednesday, 28th September, 2016 at 11:30 A.M. at the Registered office of the Company located at 1st Floor, TCTC Building, Post Box No.979, Mount Poonamallee High Road, Manapakkam, CHENNAI – 600 089 to discuss the following business:

ORDINARY BUSINESS:

- 1. To consider and adopt the audited Financial Statement for the period from 1st April, 2015 to 31st March, 2016 and the Reports of the Board and Auditors thereon.
- 2. To consider and if thought fit to re-appoint Mr. P.G. Suresh Kumar. (DIN: 07124883), who retires by rotation and being eligible, offers himself for reappointment, as Director of the company.
- 3. To appoint the Statutory Auditors of the Company and to fix their Remuneration and for that purpose to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:
 - "RESOLVED THAT the appointment of M/s M. K. Dandeker & Co., Chartered Accountants (Registration no. 000679S) having their registered office at No. 244 (Old No. 138), II Floor, Angapppa Naicken Street, Chennai- 600001 as Statutory Auditors of the Company 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.1.20 lakhs for the financial year 2016-2017 excluding out of pocket expenses and taxes as applicable.

SPECIAL BUSINESS:

4. TO APPOINT MR. MATHEW GEORGE (DIN 07402208) AS DIRECTOR OF THE COMPANY:

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

"RESOLVED THAT, Mr. Mathew George (DIN 07402208), who had been appointed as an Additional Director of the Company with effect from 12th 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."

By the Order of the Board For KUDGI TRANSMISSION LIMITED

K.C.RAMAN AUTHORISED SIGNATORY

DATE: 7th 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 NO. 4 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 28, 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 No. 4 accompanying the Notice dated 7th September, 2016:

SPECIAL BUSINESS

Item no. 4:

The members are hereby informed that Mr. Mathew George (DIN 07402208) was appointed as an Additional Director with effect from 12th 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.

By the Order of the Board For KUDGI TRANSMISSION LIMITED

K.C.RAMAN AUTHORISED SIGNATORY

DATE: 7th September 2016

Annexure A

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

Name of Director	Mr. P.G. Suresh Kumar	Mr. Mathew George
Date of Birth Date of Appointment on	June 15, 1965 March 27, 2015	May 9, 1968 January 12, 2016
the Board	Walci 27, 2015	January 12, 2010
Qualification	B.Sc. Engg. Exe. Diploma - HRM	Engineer and P.G.D.G.M in Finance & Strategy
Experience	29 years of experiences	
Directorships in other companies	1.L&T Port Kachchigarh Limited 2.L&T Transportation Infrastructure Limited 3.L&T Western India Tollbridge Limited 4.L&T Chennai- Tada Tollway Limited. 5.L&T Interstate Road Corridor Limited 6.PNG Tollway Limited	1.L&T Transportation Infrastructure Limited 2.L&T Panipat Elevated Corridor Limited 3.L&T Western Andhra Tollway Limited 4. Vadodara Bharuch Tollway Limited 5.Devihalli Hassan Tollway Limited 6.L&T BPP Tollway Limited 7.L&T Sambalpur- Rourkela Tollway Limited
Number of Board Meetings attended during the year	6	1
Memberships/ Chairmanships of committees across all companies	Member Audit Committee 1.L&T Western India Tollbridge Limited Nomination and Remuneration Committee 1.L&T Western India Tollbridge Limited Corporate Social Responsibility Committee 1.L&T Transportation Infrastructure Limited	Member Audit Committee 1.L&T Sambalpur Rourkela Tollway Limited Nomination and Remuneration Committee 2.L&T Sambalpur- Rourkela Tollway Limited

Shareholding in	the	Holding 1 Share jointly with L&T	Nil
Company		Infrastructure Development Projects	
		Limited	
Relationship with other		Nil	Nil
Directors/KMPs			



Kudgi Transmission Limited
(A wholly owned subsidiary of L&T IDPL)
Address for Communication:
38, Cubbon Road, Bangalore — 560 001.
Tel: +91 80 2502 0123, Fax: +91 80 2559 6397

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
	₹ Crore	₹ Crore
Profit Before Depreciation, exceptional and extra ordinary items & Tax	(0.59)	(0.95)
Less: Depreciation, amortization and obsolescence	-	
Add: Transfer from Revaluation Reserve	(0.59)	(0.95)
Profit before exceptional and extraordinary items and tax	(0.59)	(0.95)
Add: Exceptional Items	-	-0
Profit before extraordinary items and tax	(0.59)	(0.95)
Add: Extraordinary items	-	
Profit / (Loss) before tax	(0.59)	(0.95)
Less: Provision for tax	0.01	0.03
Profit after tax from continuing operations	(0.60)	(0.98)
Profit from discontinued operations	-	_
Total expenses on discontinued operations	-	•
Profit from discontinued operations (after tax)	-	-
Profit for the period carried to the balance sheet	(0.60)	(0.98)
Add: Balance brought forward from previous year	(1.55)	(0.57)
Less: Dividend paid for the previous year (Including dividend distribution tax)	-	-
Balance available for disposal (which directors appropriate as follows)	-	-
Balance carried to Balance Sheet	(2.15)	(1.55)

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The gross revenue and other income for the financial year under review were ₹1.19 crore as against ₹0.09 crore for the previous financial year. The loss before tax from continuing operations including extraordinary and exceptional items was ₹0.59 crore and the loss after tax from continuing operations including extraordinary and exceptional items of ₹0.60 crore for the financial year under review as against ₹0.95 crore and ₹0.98 crore respectively for the previous financial year. The Company raised ₹128.40 Crore via issue of Non-Convertible debentures.

CAPITAL EXPENDITURE:

As at March 31, 2016 the gross fixed and intangible assets including leased Assets, stood at ₹1280.40 crore and the net fixed and intangible assets, including leased assets, at ₹1280.36 crore. Capital Expenditure during the year amounted to ₹722.88 crore.

DEPOSITS

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

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

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

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 the Company is engaged in the business of developing infrastructure facility, the provisions of Section 186 of Companies Act, 2013 (Act) except sub-section (1) are not applicable to the Company. However the details of loans given, investments made and guarantees/securities provided by the Company are given in the Notes to financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

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

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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 the Company.

DIVIDEND

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

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

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

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

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

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

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

RISK MANAGEMENT POLICY

Kudgi Transmission Limited in its Meeting of the Audit Committee has reviewed and adopted a Risk Management Policy and the same has been implemented. Risk that are faced by the Company are identified, monitored and appropriate mitigation action are taken at various level 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 THEIR 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 "Annexure A" of 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 under the said Act to spend during the year any amount on Corporate Social Responsibility.

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

CHANGES IN DIRECTORS AND KMP

Mr. Karthikeyan T.V, Director, who retired by rotation at the Annual General Meeting held on 28th September, 2015 was reappointed as a Director of the Company.

Mr. P.G.Suresh Kumar, Director, who retires by rotation at this Annual General Meeting, being eligible, is offering himself for re-appointment.

Mr. Mathew George was appointed as Additional Director of the Company on 12th January, 2016, hold office upto the conclusion of the 4th Annual General Meeting.

Mr. Sunkari Satyanarayana has resigned as Chief Executive Officer of the Company on 21st July, 2015 in terms of section 203 of Companies Act, 2013.

Mr. K. G. Sathyanarayana was appointed as Manager of the Company on 21st July 2015 and resigned on 31st December 2015 and Ms. Priyanka Bajpai has been appointed as the Manager of the Company on 28th March, 2016.

Mr. R.G.Ramachandran has been appointed as the Company Secretary of the Company w.e.f 27th October, 2015.

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

S.	Name	Designation	DIN
1	Mr. Karthikeyan, T.V	Director	01367727
2	Mr. P.G.Suresh Kumar	Director	07124883
3	Mr. Mathew George	Additional Director	07402208
4	Dr. Koshy Varghese	Independent Director	03141594
5	Mrs. Samyuktha Surendran	Independent Director	07402208

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

S. No.	Name	Designation
1	Mr. R.G.Ramachandran	Company Secretary
2	Mr. Satnam Singh	Chief Financial Officer
3	Ms. Priyanka Bajpai	Manager

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

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

During the year, Seven 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 th April, 2015	5	5
27th May, 2015	5	3
1 st June, 2015	5	2
21st July, 2015	5	4
27th October, 2015	5	4
12th January, 2016	4	4
28th March, 2016	5	3

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

AUDIT COMMITTEE

The Company has constituted an Audit Committee in terms of the requirements of the Companies Act, 2013 comprising of Dr. Koshy Varghese, Mrs. Samyuktha Surendran and Mr. Karthikeyan T. V as the members of the Committee.

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

Date	Strength of the Committee	No. of members Present
29th April, 2015	3	3
21st July, 2015	3	3
27th October, 2015	3	2
12th 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

The 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. Koshy Varghese, Mrs. Samyuktha Surendran and Mr. Karthikeyan T. V as the members of the Committee.

During the year four NRC meeting 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
21st July, 2015	3	3
27thOctober, 2015	3	2
12th January, 2016	3	3
28th March, 2016	3	2

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

DECLARATION OF INDEPENDENCE

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

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form No. MGT - 9 as per the Act 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.

DISCLOSURE OF REMUNERATION

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

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

REMUNERATION OF KMP

Amount in ₹

Name of the KMP	Designation	Remuneration in FY 2015-16	Remunera tion in FY 2014-16	Nocrease Jo	Performat Com	AND THE PERSON OF THE PERSON O
				remuneration of FY 2015-16 as compared to previous financial year	% increase in revenue of FY 2015-18 as compared to previous financial year	decrease in profit after tax of FY 2015-15 as compare of to previous financial year
Priyanka Bajpai	Manager	21025#	Nil	Refer Note		
K.G. Sathyanarayana	Manager	1491176##	Nil	Refer Note		
Sathnam Singh	Chief Financial Officer	Nil	Nil	Nil	NIL*	Nit*
R.G.Ramachandran	Company Secretary	Nil	Nil	Nit		:

* Still company is in implementation stage

Remuneration for only part of the financial year 2015-16 i.e from March 28, 2016 to March 31, 2016

##Remuneration for only part of the financial year 2015-2016 i.e., upto December 31, 2015.

The Median Remuneration of Employees ("MRE") was ₹809260 and ₹740000 in the financial year 2015-16 and 2014-15 respectively. The Increase in MRE in the financial year 2015-16 over the previous financial year is 9.36%

The number of permanent employees on the rolls of the Company as of March 31, 2016 and March 31, 2015 was 12 and 15 respectively.

The revenue growth during the financial year over the previous financial year was Nil. The average Increase in remuneration of employees is 1.4% over the previous financial year. The company is still in the Implementation Stage, hence the increase in remuneration of employees and KMP is not comparable with the performance of the Company.

Average percentage increase made in the salaries of employees other than the KMP in the financial year 2015-16 was 32.6%. The change in remuneration of Manager over the previous financial year is not comparable due to resignation of Mr. K.G.Sathyanarayana as a Manager of the Company on 31st December, 2015 and appointment of Ms. Priyanka Bajpai as a Manager of the Company on 28th March, 2016.

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

The Company has no employee employed throughout the financial year who was in receipt of a remuneration of ₹ 60 lakhs or more, or employed for part of the year and was in receipt of a remuneration ₹ 5 lakh or more a month under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS

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

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.

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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

M/s. M. K. Dandeker & Co., who are currently the statutory auditors, shall hold office until the conclusion of the ensuing Annual General Meeting ("AGM"). The Board recommends the appointment of M/s. M. K. Dandeker & Co., Chartered Accountants, Chennai as Auditors of the Company from the conclusion of the ensuing AGM until the conclusion of the 8th AGM. Certificate from the said audit firm has been received to the effect that they are eligible to act as Auditors of the Company under Section 141 of the Companies Act, 2013.

The Auditors' Report for the financial year 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. Balaji Rajan & Associates, a firm of Company Secretaries in practice, Chennai was appointed 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.

It contains the following qualification, reservation or adverse mark:

 The Company has not complied with the requirements of Section 203 for appointment of Whole-time Company Secretary during the period from 1st April, 2015 to 27th October 2015.

Management's response: The Company was in search of a suitable candidate to be appointed as a Company Secretary, accordingly Mr R G. Ramachandran was appointed as Company Secretary on 27th October 2015.

DEBENTURE TRUSTEE:

The Company has issued and allotted secured redeemable Non-convertible Debentures amounting to ₹128.40 crore during the year 2015-2016. As at March 31, 2016 the total outstanding Debentures were ₹128.40 Crore. M/s. IDBI Trusteeship Services Limited, having its office at Asian Building, Ground Floor, 17, R.Kamani Marg, Ballard Estate, Mumbai - 400001 have been appointed as the Debenture Trustees for the same.

ACKNOWLEDGEMENT

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

For and on behalf of the Board

Place: Chennai

Date: April 26, 2016

Karthikeyan T.V

Director DIN: 01367727

P.G.Suresh Kumar

Director DIN: 07124883

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 arms 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
- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

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
L&T Infrastructure Development Projects Limited (LTIDPL)	Holding Company	Business Support Services ("BSS") provided by LTIDPL	One year	Operational assistance for support services, accounting and processing of transactions etc.	Nil
Larsen & Toubro Limited (L&T Limited)	Ultimate Holding Company	Assistance in employee payouts provided by L&T Limited	For a continuous period unless terminated or the Company ceases to be a part of LTIDPL Group	Assistance in pay roll processing, reimbursement of employee benefit claims, Employee Travel Expense Management, payment voucher etc.	Nil

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
Larsen & Toubro Limited (L&T Limited)	Ultimate Holding Company	Business Support Services ("BSS") provided by L&T Limited	For a continuous period unless terminated or the Company ceases to be a part of LTIDPL Group	Operational assistance for infrastructure support services, etc.	Nil
L&T General Insurance Company Limited (LTGICL)	Fellow subsidiary	Insurance services provided by LTGICL	Renewal of Insurance	Fire & Burglary insurance coverage for fixed assets	Nil

Date(s) of approval by the Board, if any – 26^{th} April 2016

For and on behalf of the Board

Place: Chennai C Date: April 26, 2016

Karthikeyan. T.V

Director DIN: 01367727 P. G. Suresh Kumar

Director DIN: 07124883

ANNEXURE II

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2015 [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	U40106DL2012GOI245339
Registration Date	27/11/2012
Name of the Company	KUDGI TRANSMISSION LIMITED
Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES/ INDIAN NON- GOVERNMENT COMPANY
Address of the Registered office and contact details	BUILDING NO. 3, SECOND FLOOR, SUDEEP PLAZA, MLU SECTOR- 11 POCKET- 4, DWARKA NEW DELHI
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:-

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Construction/erection and maintenance of Power, Telecommunication and Transmission Line	42202	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	99.9%	2(46)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

	No. of S	No. of Shares held at t	d at the beginning of the year	of the year	No. o	No. of Shares held at the end of the year	at the end of t	he year	
Category of Shareholders									% Change
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	during the year
A. Promoters									
1) Indian									
a) Individual/HUF		Į	**************************************	ŧ	ŀ	I	1	1	Ī
b) Central Govt	1	I	I	I	ı	Ī	I	I	Ī
c) State Govt (s)		I	I	I	I	1	I	ı	ŀ
d) Bodies Corp.	ı	153999998*	153999998*	99.9999	I	192599998*	192599998*	6666.66	(20.041)
e) Banks / Fi	1	ı	1	ı	1	ı	ı	ı	· T
f) Any Other	Ī	ı	ı	I	I	I	I	ı	1
Sub-total (A) (1):-	1	153999998*	153999998*	99,9999	1	192599998*	192599998*	99.9999	(20.041)
2) Foreign								•	•
a) NRIs - Individuals	ı	ı	i	ı	I	ı	ı	I	1
b) Other – Individuals	1	1	J	1	1	ı	l	I	I
c) Bodies Corp.	ŀ	İ	I	Ī	I	I	1	1	I
d) Banks / Fi	I	1	1	1	I	1	I	I	I
e) Any Other	1	I	1	1	1	1	ı	I	ı
Sub-total (A) (2):- Total shareholding of Bromofer (A)								•	
Total Sital Gridening Of 1 Simoles (A)				•					
(A)(1)+(A)(2)	1	153999998*	153999998*	99.9999	1	192599998*	192599998*	99,9999	(20.041)
B. Public Shareholding				•			•		•
1) Institutions									
a) Mutual Funds	ļ	ı	ı	I	ı	Ì	I	I	1
İ	Ī		1	1	_	-	_	I	1
c) Central Govt		I	1	1	1	1	t	1	1

-	State Cout (s)									
3	Otale Govi (s)	l 	1		ı	i	1	I	ı	ł
е —	Venture Capital Funds	ı	1	1]	1	I	J	!	Ī
	Insurance Companies	1		i	İ	1	1	Ī	ı	1
G	Fils	1	ı		ŧ	ı	1	1	1	ı
<u>.</u>	Foreign Venture Capital	••••								
	Funds									
÷	Others (specify)	1			Ī	ı	Ì	ţ	ı	1
Sub-total (B) (1):-	(B) (1):-	<u> </u>								
2) Non	Non-Institutions									
a)	Bodies Corp.									
	i) Indian	ŀ	ı		Ī	1	1	ı	1	ı
	ii) Overseas	I	ı	1		F	1	I	į	ı
Ω	Individuals									
	i) Individual									
	shareholders holding		•							
	nominal share capital									
	upto`1 lakh	1	2	2-	0.0001	I	2	2	0.0001	1
	ii) Individual							I	• • • • •	
	shareholders holding					_				
	nominal share capital									
	in excess of 1 lakh	1	1	ı	1	Ī	I	ŀ	ı	1
(i)	Others (specify)	I	1		1	ì	İ	I	I	1
Sub-total (B) (2):-	(8) (2):-	ı	7	2-	0.0001	1	2	2	0.0004	1
Total shar	Total shareholding of Promoter (B)					••		l		
Iŧ										
(B)(1)+(B)(2)	(2)	ı	7	2	0.0001	1	2	2	0.0001	i
C. Sha	Shares held by Custodian for									:
ชื่อ	GDRs & ADRs	ŀ	ı	ì	1	ı	J	J	1	1
Grand Tot	Grand Total (A+B+C)									
		ı	154000000*	154000000*	100	ı	192600000*	192600000*	100	20.401

*Including shares held by nominees of L &T Infrastructure Development Project Limited.

(ii) Shareholding of Promoters

S. No.	Sharehold er's Name	Shareholdin the year	g at the beg	inning of	Shareholdin Year	g at the end	of the	% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledge d / encum bered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledge d / encum bered to total shares	
1	L&T Infrastructu re Developme nt Projects Limited(wit h nominees)	153999998	99.9999%	Nil	192599998	99.9999%	0.00%	20.041%
	Total	153999998	99.9999%	Níl	192599998	99.9999%	0.00%	20.041%

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

S. No.		Shareholding at the of the year	ne beginning	· · · · · · · · · · · · · · · · · · ·	Shareholding
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	153999998	99.9999%		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer /bonus/ sweat equity etc.):	On 01.06.2015 — 3,86,00,000 shares allotted		192599998	99.9999%
3.	At the End of the year	192599998	99.9999%	192599998	99.9999%

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

S. No.		Shareho beginnir		g at the the year	Cumulative S during the ye	· ·
	For Each of the Top 10 Shareholders	No. of shares		% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year		2	0.0001	2	0.0001
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer /bonus/ sweat equity etc.):		-	<u> </u>	_	-
3.	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.		Shareholdii beginning d		Cumulative during the	Shareholding /ear
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	_	-		_
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer /bonus/ sweat equity etc.):		-	_	-
3.	At the End of the year		_		-

V. INDEBTEDNESS

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

<u></u>				in Crore
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	475.07	-		475.07
ii) Interest due but not paid	-	-	_	
iii) Interest accrued but not due		_		-
Total (i+ii+iii)	475.07	-		475.07
Change in Indebtedness during the financial year		_		44
Addition	563.93	-		563.93



Reduction	w	-	_	_
Net Change	563.93	-		563.93
Indebtedness at the end of the financial year		-		
i) Principal Amount	1030.37	-		1030.37
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	8.63	-		8.63
Total (i+ii+iii)	1039.00	-		1039.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
No.		Manager: Ms. Priyanka Bajpai	
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	21025*	21025*
2.	Stock Option	_	_
3.	Sweat Equity		_
4.	Commission - as % of profit - Others, specify	-	-
5.	Others, please specify	_	_
	Total (A)	-	_
	Ceiling as per the Act	60,00,00,000	60,00,00,000

^{*} Remuneration for only part of the financial year 2015-16 i.e from March 28, 2016 to March 31, 2016

B. Remuneration to other directors:

\$. N o.	Particulars of Remuneration	Name of Directors		, , , , , , , , , , , , , , , , , , , 	Total Amount ₹
1	Independent Directors	Mr. Koshy Varghese	Mrs. Samyuktha S	urendran	
	Fee for attending Board Meeting	₹1,50,000	₹1,25,000		₹2,75,000
	Fee for attending Committee Meeting	₹90,000	₹90,000		₹1,80,000
	Commission	-	-		
	Others	•	-	· · · · · · · · · · · · · · · · · · ·	
	Total (1)	₹2,40,000	₹2,15,000		₹4,55,000
2.	Other Non – Executive Directors	Mr. Karthikeyan T. V	Mr. P. G. Suresh Kumar	Mr. Mathew George	

Kudgi Transmission Limited - Board's Report

Fee for attending Board Meeting	Nil	Nil	Nil	Nil	
Fee for attending Committee Meeting	Nil	Nil	Nil	Nil	
 Commission	Nil	Nil	Nil	Nil	
Others Please Specify	Nil	Nil	Nil	Nil	
Total (2)	Nil	Nil	Nii	Nil	
Total (B)=(1+2)	₹2,40,000	₹2,15,000	Nil	₹4,55,000	
Total Managerial Remuneration	NA				
Overall Ceiling as per the Act	Sitting fees not r	nore than ₹.1,00,000 pe	er meeting of B	loard or Committee.	

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

S. No.	Particulars of Remuneration		Key Managerial F	etary		
		CEO	Company Secretary	CFO	To tal	
			R.G. Ramachandran	Satnam Singh		
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) Incometax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	NA	Nii		Nil	
2.	Stock Option	_			_	
3.	Sweat Equity		-	-	<u> </u>	
4.	Commission - as % of profit - others, specify	-	-		-	
5.	Others, please Specify					
	Total	Nil	NA	Nil	Nil	

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board

_ Place: Chennai Date: April 26, 2016

1Chins

Director

Karthikeyan, T.V P. G. Suresh Kumar

Director DIN: 01367727 DIN: 07124883

Kudgi Transmission Limited

Balance Sheet as at March 31, 2016

Particulars	Note		rch 31, 2016	As at Mar	ch 31, 2015
		₹	₹	₹	₹
EQUITY AND LIABILITIES:					
Shareholders' funds		V.			
Share capital	A	1,92,60,00,000			
Reserves and surplus	B			1,54,00,00,000	
•	"	(2,14,60,761)		(1,54,74,422)	
Non-current liabilities		ľ	1,90,45,39,239		1,52,45,25,57
Long-term borrowings	C(I)	10,09,79,80,044			
Long-term provisions	C(I)			4,75,07,28,985	
• • • • • • • • • • • • • • • • • • • •	C(II)	12,75,892		5,86,102	
			10,09,92,55,936		4,75,13,15,08
Current liabilities				4	
Other current liabilities	D(I)	1.45.76.05.110			
Short-term provisions	D(II)	1,45,76,05,119		28,31,18,070	
	D(II)	2,29,753		2,67,674	
			1,45,78,34,872		28,33,85,744
TOTAL					(V (A - \$4
			13,46,16,30,047		6,55,92,26,409
ASSETS	1 1			ſ	
Non-current assets					
Fixed assets					
Tangible assets	E(I)	20.20.21.			
Capital work-in-progress	7.07	20,29,314		6,62,954	
ospital note in progress	E(II)	12,80,16,07,982		5,57,44,09,771	
	1 1		12,80,36,37,296		5,57,50,72,725
Long-term loans and advances	-				
zong term rouns and advances	F		3,49,601		63,80,84,400
Current assets	1			į.	
Current investments				1	
Cash and bank balances	G(I)	7,47,10,290	W	1,13,79,093	
Short-term loans and advances	G(II)	2,58,83,626		16,73,098	
Other Current Assets	G(III)	53,38,03,797	1	33,30,17,093	
Other Current Assets	G(IV)	2,32,45,437		-	
	1 1		65,76,43,150		34,60,69,284
OTAL					2 1,00,07,204
The state of the s			13,46,16,30,047	_	6,55,92,26,409
ontingent liabilities	Н				0,00,02,20,409
ommitments	I				
other notes forming part of accounts	M			1	
ignificant accounting policies	N			1	

As per our report attached

For M.K.Dandeker & Co.

Chartered Accountants

(Firm Reg.No.000679S) By the hand of

S. Poosaidurai

Membership No. 223754

Place : Chennai

Date: April 26, 2016

For and on behalf of the Board

Chief Financial Officer Company Secretary

Director

Place : Chennai Date: April 26, 2016



Kudgi Transmission Limited

Statement of Profit and loss for the year ended March 31, 2016

Particulars				2015-16	2014.15
REVENUE			Note	₹	2014-15 ₹
Other income					
Other meome			J	1,18,83,954	
Total Revenue			1 "	1,10,03,934	9,28,32
				1,18,83,954	9,28,321
EXPENSES					7,20,321
Finance cost			1 1		
Administration and other expenses			K	1,63,66,742	
			L	14,24,734	1,04,42,976
Total Expenses			1 _		,,,,,,,,,,,
				1,77,91,476	1,04,42,976
Profit/(loss) before tax					
Tax Expense:			1 1	(59,07,522)	(95,14,655)
Current tax			1 1		
Current tax pertaining to prior year			1 1	2	2,35,784
Profit/(loss) after tax				78,817	
max max				(59,86,339)	(97,50,439)
earnings per equity share				(45,00,005)	(97,30,439)
Basic			M(8)		1
Diluted			1	(0.03)	(0.14)
			1 1	(0.03)	(0.14) (0.14)
ther notes forming part of accounts				(0.00)	(0.14)
ignificant accounting policies			M		
3			N		
s per our report attached					
or M.K.Dandeker & Co.			For	and on behalf of the B	oard
hartered Accountants					
irm Reg.No.000679S)					
y the hand of			/		1
- l · \			*		- 1
Symm Shareni			. 0		1
Poosaidurai	Financial Officer		0/0		
rtner	rmanciai Otneer	Company Secretary	Dire	ector	Director
embership No. 223754			10		Director

Membership No. 223754

Place : Chennai

Date: April 26, 2016

Place : Chennai

Date: April 26, 2016



Kudgi Transmission Limited

Cash Flow Statement for the year ended March 31, 2016

	Particulars	2015-16	2014-15
1000	31-71-70-700-700 2015 V	₹	₹
A	Net profit / (loss) before tax and extraordinary items	(59,07,522)	(05.14.655)
	Adjustment for	(37,07,322)	(95, 14, 655)
	Interest income	(1,51,978)	(12.450)
	(Profit)/loss on sale of current investments(net)	(1,17,31,976)	(12,459)
	(Profit)/loss on sale of fixed assets	17,287	(9,15,862) 5,711
	Operating profit before working capital changes		300 4 100 00 00
	Adjustments for:	(1,77,74,189)	(1,04,37,265)
	Increase / (Decrease) in long term provisions		
	Increase / (Decrease) in other current liabilities	6,89,790	5,86,102
	Increase / (Decrease) in short term provisions	27,53,68,249	30,82,247
	(Increase) / Decrease in long term loans and advances	2,11,818	(66,928)
	Net cash generated from/(used in) operating activities	(20,12,25,260)	(33,17,71,273)
1	Direct taxes paid	5,72,70,408	(33,86,07,117)
	Net Cash(used in)/generated from Operating Activities	(15,201)	(1,246)
В		5,72,55,207	(33,86,08,363)
В	Cash flow from investing activities		
	Purchase of fixed assets (incl. pre-operative and Mobilisation advance)	(5,69,16,27,058)	(5.41.56.07.274)
- 1	Sale of fixed assets	24,000	(5,41,56,87,374)
1	Purchase of current investments	(3,74,77,00,001)	1,66,603
- 1	Sale of current investments	3,69,61,00,780	(58,30,50,000)
- 1	Interest received	1,51,978	57,26,86,769
- 1	Net cash (used in)/generated from investing activities		12,459
c		(5,74,30,50,301)	(5,42,58,71,543)
	Cash flow from financing activities		
	Proceeds from issue of equity share capital	38,60,00,000	1.01.00.00.000
	Proceeds from long term borrowings	5,32,40,05,622	1,01,00,00,000
	Net cash (used in)/generated from financing activities		4,75,07,28,985
- 1		5,71,00,05,622	5,76,07,28,985
- 1	Net increase / (decrease) in cash and cash equivalents (A+B+C)	2,42,10,528	(37,50,921)
	Cash and cash equivalents as at the beginning of the year	16,73,098	54,24,019
- 1	Cash and cash equivalents as at the end of the year	2,58,83,626	16,73,098

Notes:

1. Cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 "Cash flow Statement".

2. Previous year's figures have been regrouped/reclassified wherever applicable.

3. Cash and cash equivalents represent cash and bank balances. The components of Cash and cash equivalents are:

S. No.	Particulars	• • • • • • • • • • • • • • • • • • • •	
1	Balances with banks:	2015-16	2014-15
	- in current account - in deposit with maturity more than 3 months but less than 12 months	2,56,78,436	13,61,055
	(including interest accured thereon)	2,05,190	3,12,043
		2,58,83,626	16.73.008

As per our report attached

For M.K.Dandeker & Co.

Chartered Accountants (Firm Reg. No.000679S)

By the hand of

Partner

S. Poosaidurai Chief Financial Officer

Company Secretary

Director

Membership No. 223754

Place: Chennai Date: April 26, 2016

Place: Chennai Date: April 26, 2016

For and on behalf of the Board



NOTE A

Share Capital

(i) Authorised, issued, subscribed and paid up

Particulars Authorised:	As at March 31, 2016		As at March 31, 2015	
	No. of shares	₹	No. of shares	3
Authorised:			- State of Gilling	
Equity shares of ₹ 10 each	19,50,00,000	1,95,00,00,000	19,50,00,000	1,95,00,00,00
ssued, subscribed and fully paid up Equity shares of ₹10 each	19,26,00,000	1,92,60,00,000	15,40,00,000	1,54,00,00,000

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

Particulars At the beginning Cal	As at Marc	As at March 31, 2015		
	No. of shares	₹	No. of shares	₹
At the beginning of the year Issued during the year as fully paid At the end of the year	15,40,00,000 3,86,00,000	1,54,00,00,000 38,60,00,000	5,30,00,000	53,00,00,000
it the end of the year	19,26,00,000	1,92,60,00,000	15,40,00,000	1,54,00,00,000

(iii) Terms / rights attached to shares

The Company has only one class of equity share having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The Company has not issued any securities during the year with the right/option to convert the same into equity shares at a later date.

The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.

The shares issued carry equal rights to dividend declared by the company and no restrictions are attached to any specific shareholder.

(iv) 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	
1071.0	No. of shares	₹	No. of shares	₹
L&T Infrastructure Development Projects Limited (including nominee holding)	19,25,99,998	1,92,59,99,980	15,39,99,998	1,53,99,99,980
	19,25,99,998	1,92,59,99,980	15,39,99,998	1,53,99,99,980

(v) 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	9/0	
L&T Infrastructure Development Projects Limited (including nominee holding)	19,25,99,998	99.99	15,39,99,998	99.99	

(vi) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

(vii) Calls unpaid : NIL; Forfeited Shares : NIL

NOTE B Reserves and surplus

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹	₹	₹	₹
As per last Balance Sheet Add: Profit/(Loss) for the year Less: Transfer to Debenture Redemption Reserve [refer note B(i)]	(1,54,74,422) (59,86,339) (2,14,60,761)		(57,23,983) (97,50,439) (1,54,74,422)	
		(2,14,60,761)		(1,54,74,4
		(2,14,60,761)		(1,54,74,4

Note B(i)

As the Company does not have profits available for payment of dividend, Debenture Redemption Reserve has not been created in terms of Section 71 of the Companies Act, 2013 and the rules made thereunder.



NOTE C

Long term borrowings

Particulars	As at March 31, 2016	As at March 31, 2015
Secured	₹	₹
(a) Term loan from Banks		
(b) Redeemable Non-Convertible Debentures	7,56,39,77,506	3,27,99,52,785
(c) Letters of credit (availed as sub limit of Term loans from banks)	1,28,40,00,000	
Total Sanks)	1,25,00,02,538	1,47,07,76,200
) Details of term loans	10,09,79,80,044	4,75,07,28,985

Particulars	Interest rate	Repayment
Consortium of Banks led by BOI	Exim bank at fixed specified rate and all other banks BOI Base Rate % + Applicable spread	Repayable in 182 monthly instalments beginning from December 31 2016 and ending on January 31, 2032 at specified amounts

- a) First mortgage by way of deposit of title deed of piece of land admeasuring 1,732 sq.ft in Kancheepuram District
- b) First charge on all movable assets, including movable Plant and Machinery, machinery spares, tools and accessories, furniture, fixture, vehicles, Stock,
- c) First charge on project book debts, operating cash flows, receivables, commissions, revenues of whatever nature and wherever arising, intangibles, Goodwill,
- d) First charge on project bank accounts, including but not limited to Escrow Account opened in a designated bank, where all cash flows from the Project shall

C(b) Details of Redeemble Non-Convertible Debentures

Non Convertible Debentures	Interest rate	Repayment
ature of Security	9.50%	Repayable on June 1, 2033

- a) Second mortgage by way of deposit of title deed of piece of land admeasuring 1,732 sq.ft in Kancheepuram District
- b) Second charge on all movable assets, including movable Plant and Machinery, machinery spares, tools and accessories, furniture, fixture, vehicles, Stock,
- c) Second charge on project book debts, operating cash flows, receivables, commissions, revenues of whatever nature and wherever arising, intangibles, Goodwill, uncalled capital(Present and future)
- d) Second charge on project bank accounts, including but not limited to Escrow Account opened in a designated bank, where all cash flows from the Project

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

Particulars (i) Long term borrowings	As at March 31, 2016	As at March 31 2015
(ii) Current maturities of long term borrowings	8,81,39,80,044	4,75,07,28,985
	20,58,00,000	
OTE C(II)	9,01,97,80,044	4,75,07,28,985

Long-term provisions

Particulars	As at March	31, 2016	As at March 3	1 2015
Provision for employee benefits:	₹	₹	₹	₹
Gratuity (Refer note L(4)(ii)) Compensated absences	5,57,045 7,18,847		4,53,782 1,32,320	
		12,75,892		5,86,10
DANDEKER &		12,75,892		5,86,10



NOTE D(I)

Other current liabilities

Particulars	As at March 31, 2016	As at March 31, 2015
Current metalici. Cl	₹	₹
Current maturities of long term borrowings Other payables:	20,58,00,000	-
Interest accrued but not due on borrowings Due to ultimate holding company Due to holding company	8,63,19,180 15,01,938	12,27,015
Statutory liabilities Others	1,16,17,29,778 2,34,056 20,20,167	26,28,85,901 1,56,46,266 33,58,888
	1,45,76,05,119	28,31,18,070

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

NOTE D(II)

Short term provisions

Particulars	As at March 3	31, 2016	As at March 3	1, 2015
	₹	₹	₹	7
Provision for employee benefits:				
Gratuity (Refer note L(4)(ii))	41.150			
Compensated absences	41,169		11,199	
Bonus	87,166	1	21,937	
	1,01,418		-	
		2,29,753		33,136
Others :	1 1			55,150
Provision for Tax (Net of advance tax)	1 1		1	
		-	1	2,34,538
		2,29,753		2,67,674



NOTE E(I) - Tangible Assets

		Cost	st			Depreciation	iation		Decil	(Amount in Rs.)
Particulars	As at April 1, 2015	Additions	Deductions	As at March 31, 2016	Upto March 31,	For the year	Deductions	As at March 31,	As at March 31, As at March 31, As at March 31,	As at March 31,
								2016	2016	2015
Owned										
Freehold Land (Refer note E(I)(a))	,	11 31 525		11 31 535						
Committees and Distract		676.16.1	ı	575,15,11		ı		,	11 31 525	
r annitate and Fixings	3,75,342			3,75,342	52 643	40 137	7	097 00	27.000	
Office Equipment	1.65,582	,		1 65 587	44 823	00000		06/,26	795,78,7	3,22,699
Committee I antone and Drintone	120,000	1		790,00,1	779,44	37,008		77,490	88.092	1 20 760
Computers, Laptops and Finiters	7.90,950	5,47,208	55,050	7.89.114	77,461	1,98,281	13.763	2 61 979	5 27 135	2010405
Total								S. Charle	661,12,0	5,17,473
Lotal	8,37,880	16,78,733	55,050	24.61.563	1 74 926	2 71 086	13 763	132 340		111111111111111111111111111111111111111
Previous vear	CIT 263	142013	303 100	0000 000		2001111	13,703	4,32,249	20,29,314	6,62,954
	7111/1/2	1,72,040	6,6,10,2	0,37,880	25,108	1,49,079	29,261	1.74 926	150 699	
									100000	

Note E(I)(a)

Freehold Land is mortgaged to secure redeemable non-convertible fixed rate debentures [refer note C (a) and (b)].

NOTE E(II) -Capital Work in Progress

Particulars	As at April 1, 2015	Additions	As at March 31, 2016
Transmission system	5,57,44,09,771	7,22,71,98,211	12.80.16.07.982
Total	5,57,44,09,771	7,22,71,98,211	12.80.16,07.982
Previous year	34,69,87,455	5.22.74.22.316	5 57 44 (19 77)



NOTE E(II) (a) Capital work in progress - Transmission System

Particulars	As at March 31, 2015	For the year	As at March 31 2016
	₹	₹	₹
a) Construction cost			
Engineering Procurement Construction Cost	5,00,81,49,367	5,33,00,12,418	10,33,81,61,78
b) Other direct cost	1		
Right of use payment	13,41,91,549	1,04,38,09,066	1,17,80,00,61
c) Finance cost	14,50,70,768	80,49,61,965	95,00,32,73
d) Pre-operative expenses			**,**,52,75
Salaries and wages	1,92,22,281	2,14,37,319	1.06.50.60
Contribution and provisions for:	1,72,22,201	2,14,37,319	4,06,59,60
Provident fund	9,53,249	11,24,699	20,77,94
Gratuity	4,64,981	1,33,233	5,98,21
Compensated absences	1,82,429	7,52,796	9,35,22
Staff Welfare Expenses	10,30,104	11,84,733	22,14,83
Licence Fee	32,15,100	8,00,000	
Insurance	40,181	37,692	40,15,10
Repairs and Maintenance:	40,101	37,092	77,87
- Others	23,62,472	9,28,763	22.01.22
Power and fuel	33,809	42,129	32,91,23
Rent, rates and taxes	61,01,574	4.25,035	75,93
Professional fees	24,85,08,195	95,08,239	65,26,60
Postage and Communication expenses	3,02,347	4.51,498	25,80,16,43
Printing and Stationery	1,81,572	2,83,488	7,53,84
Travelling and conveyance	53,19,779	68,37,919	4,65,06
Miscellaneous expenses	10,24,356	39,84,477	1,21,57,69
Bank charges	67,429	2,11,656	50,08,833 2,79,085
Depreciation and amortisation	2,04,187	2,71,086	4,75,27
Less:	2,51,107	2,71,000	4,73,27.
Other Income	22,15,958	282	22,15,958
rand Total	5,57,44,09,771	7,22,71,98,211	12,80,16,07,982



NOTE F Long term loans and advances

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good Capital advances given to Holding Company Security deposits Income tax receivable	3,34,400 15,201	63,78,60,000 2,24,400
	3,49,601	63,80,84,400

NOTE G(I) Current investments

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
Investment in Mutual funds - Quoted	7,47,10,290	1,13,79,093
	7,47,10,290	1,13,79,093

Other particulars in respect of current investments mentioned in G (I) are as follows:

Particulars	Face Value per unit	Number of Units as at 31st March 2016	As at March 31, 2016	As at March 31, 2015
Book Value				
Religre Invesco Mutal Fund Reliance Liquid Fund IDFC Cash Fund-Growth-(Regular Plan) UTI - Liquid Cash Plan SBI Premier Liquid Fund	1,000 1,000 1,000 1,000 1,000	5,499 1,870 25,333	1,00,34,667 45,97,557 6,00,78,067	84,57,310 29,21,783
Management and the second seco	1 9		7,47,10,290	1,13,79,093
Market value of current investments			7,49,36,591	1,16,42,305



Cash and bank balances

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
Balances with Banks		
- in current accounts	2,56,78,436	13,61,055
Other bank balances	2,50,70,450	15,01,055
 in deposit accounts with original maturity of more than three months but less than twelve months (including interest accrued thereon) 	2,05,190	3,12,043
	2,58,83,626	16,73,098

NOTE G(III)

Short term loans and advances

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good	₹	₹
Advances recoverable in cash or kind Others [refer note G(III)(a)]	3,38,311 53,34,65,486	2,25,000 33,27,92,093
	53,38,03,797	33,30,17,093

Note G(III)(a):

Others includes amount recoverable from excise department of ₹ 53,33,70,511/- (previous year ₹ 33,26,78,815/-).

NOTE G(IV)

Other Current Assets

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
Unamortised Discount on Letter of Credit	2,32,45,437	
	2,32,45,437	

NOTE H

Contingent liabilities as at March 31, 2016 ₹.Nil (previous year: ₹.Nil)

NOTE

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹. 63,11,07,704/- (previous year: ₹.5,81,42,11,080)



NOTE J Other income

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
Interest income from:		
Bank deposits	1,51,978	12,459
Profit on sale of current investments	1,17,31,976	9,15,862
	1,18,83,954	9,28,321

NOTE K

Finance costs

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
Interest on borrowings	1,63,66,742	¥
	1,63,66,742	-

NOTE L

Administration and other expenses

Particulars	As at March 31, 2016	As at March 31, 2015
	₹	₹
Rates and taxes	43,315	1.02.77.710
Payment to Auditors (Refer note (a) below)		1,0=,77,710
Debenture issue expenses	2,56,419	1,59,555
Loss on Sale of fixed asset	11,07,713	-
2000 Oil Oute of fixed asset	17,287	5,711
	14,24,734	1,04,42,976

a) Payment to Auditors (including. service tax) are as follows:

Particulars	2015-16	2014-15
a) As auditor	₹	₹
	1,37,400	1,12,360
b) For company law matters c) For other services	22,900	12,363
Total	96,119	34,832
Total	2,56,419	1,59,555



M(1) Corporate Information

Kudgi Transmission Limited was incorporated on 27th Nov 2012 under the Companies Act 1956 as a wholly owned subsidiary of M/s. REC Transmission Projects Company Limited (RECTPCL) as a Special Purpose Vehicle company to develop transmission system (Project) required for evacuation of power from NTPC Kudgi Maintain (BOOM) basis for selection of Transmission Service Provider for the above said project and M/s. RECTPCL has floated a bid on Build Own Operate and (L&TIDPL) was the successful bidder. Accordingly, the Company was acquired by L&TIDPL from REC TPCL on 30th Aug 2013 (effective date).

The project is for 35 years from the Scheduled Commercial Operation Date, which is 18 months for first transmission element (Kudgi TPS to Narendra (new) 400 kV 2xD/C) and 28 months for second transmission element (Narendra (new) to Madhugiri 765 kV D/C and Madhugiri to Bidadi 400 kV D/C) from effective date as per the Transmission Service Agreement dated 14th May 2013 entered into with potential Long Term Transmission Customer(s).

- M(2) The Statement of Profit and loss has been drawn to comply with the provisions of the Companies Act, 2013. However, the Company has not commercial operations.
- M(3) The Company has not earned any income/incurred any expenditure in foreign currency during the year. (previous year: ₹ Nil)
- M(4) Disclosure pursuant to Accounting Standard (AS) 15 (revised) on "Employee benefits":

(i) Defined contribution plan:

An amount of ₹. 11,24,699/- (previous year: ₹.8,45,211) being contribution made to recognised provident fund is recognised as an employee benefit expense and included in Pre-operative expenses pending allocation [Note E (II) (a)].

(ii) Defined benefit plans:

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

	Gratui	Gratuity plan	
Particulars	As at March 31, 2016	As at March 31, 2015	
Present value of defined benefit obligation	₹	₹	
- Wholly funded		i i i i i i i i i i i i i i i i i i i	
- Wholly unfunded	- 1		
The state of the s	41,169	11,199	
Less: Fair value of plan assets	41,169	11,199	
	-		
Amount to be recognised as liability or (asset)	41,169	11,199	
) Amounts reflected in the Balance Sheet		11,172	
Liabilities	W		
Assets	41,169	11,199	
Net Liability / (asset)			
A · Imagel	41,169	11,199	

b) The amounts recognised in the Statement of Profit and loss are as follows (included under Pre-operative expenses):

		Gratui	ty plan
	Particulars	As at March 31, 2016	As at March 31, 2015
1	Current service cost	₹	₹
2		1,27,585	44,327
2	Interest on Defined benefit obligation	39,047	8,088
3	Expected return on plan assets		0,000
4	Actuarial losses/(gains)	(22 200)	
5	Past service cost	(33,399)	3,17,414
6	Actuarial gain/(loss) not recognised in books		
7	Adjustment for earlier years		
Tot	al (1 to 7)		
I	Amount included in "employee benefit expenses"	1,33,233	3,69,829
II	Amount included as part of "finance costs"	1,33,233	3,69,829
Tota	al (I + II)		
Acti	nal return on plan assets	1,33,233	3,69,829
		-	



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

		Gratui	ty plan
	Particulars	As at March 31, 2016	As at March 31, 2015
		₹	₹
	Opening balance of the present value of defined benefit obligation		95,152
Add:	Current service cost	1,27,585	44,327
Add:	Interest cost	39,047	8,088
Add:	Contribution by plan participants	32,047	0,000
	i) Employer		
	ii) Employee		
Add (les.	s): Actuarial losses/(gains)	(22.200)	2 17 414
Less:	Benefits paid	(33,399)	3,17,414
Add:	Past service cost		
Closing	balance of the present value of defined benefit obligation	5,98,214	4,64,981

d) Principal actuarial assumptions at the Balance Sheet date:

	Particulars	As at March 31, 2016	As at March 31, 2015
 Di: 	scount rate	7.80%	8.50%
2) Sal	alary growth rate		8,30%
		6.00%	6.00%
3) Att	trition rate	5.00%	5.00%

M(5) Disclosure pursuant to Accounting Standard (AS) - 16 "Borrowing Costs"

Borrowing cost capitalised during the year $\stackrel{?}{\stackrel{\checkmark}}$ 80,49,61,965/- (previous year : $\stackrel{?}{\stackrel{\checkmark}}$ 13,12,02,289/-) and also $\stackrel{?}{\stackrel{\checkmark}}$ 1,63,66,742/- has been charged to statement of profit and loss (previous year : Nil) .



M(6) Disclosures pursuant to AS 18 - " Related Party Disclosures "

A. List of Related Parties

Holding Company	L&T Infrastructure Development Projects Limited
Ultimate Holding Company	Larsen & Toubro Limited
Fellow subsidiaries	PNG Tollway Limited
	L&T Devihalli Hassan Tollway Limited

B. Transactions with related parties:

Nature of transaction/relationship	2015-16 Amount	2014-15
	Amount	Amount ₹
Purchase of goods and services incl. taxes Ultimate Holding Company		
Larsen & Toubro Limited		
	12,30,425	14,59,98
Holding Company		
L&T Infrastructure Development Projects Limited	5,53,14,69,985	5,26,32,73,42
Fellow subsidiary		-11111
L&T General Insurance Company Limited	1,146	1.14
		1,140
Sale of Goods and Services rendered incl. taxes	5,53,27,01,556	5,26,47,34,55
Fellow subsidiary	1 1	
L&T Devihalli Hassan Tollway Limited		
		53,384
3. Purchase of assets	-	53,384
Fellow subsidiaries		
L&T Devihalli Hassan Tollway Limited		
PNG Tollway Limited	- 1	20,746
, — — — — — — — — — — — — — — — — — — —	- 1	34,820
• A reconstitue	-	55,566
4. Sale of assets		33,300
Holding Company	1 1	
L&T Infrastructure Development Projects Limited	1 21	1,90,760
		1,90,700
	*	1,90,760
5. Reimbursement of expenses charged from	1	
Holding Company	1	
L&T Infrastructure Development Projects Limited	10,15,465	15,93,768
Fellow subsidiaries		10,75,700
PNG Tollway Limited		
	- 1	1,300
	10,15,465	15,95,068
i. Reimbursement of expenses charged to		
Holding Company		
L&T Infrastructure Development Projects Limited	1 . 1	49,971
		49,971
. Advances paid	-	49,971
Holding Company		
L&T Infrastructure Development Projects Limited	1 1	
2 - Triplient Flojetis Ellinted	-	36,07,10,000
		36,07,10,000
Share Capital (including advance against Share capital)		50,07,10,000
Holding Company		
L&T Infrastructure Development Projects Limited	20 40	
	38,60,00,000	1,01,00,00,000
Perfundable denseit anni and Continue	38,60,00,000	1,01,00,00,000
Refundable deposit received for directors nominations Holding Company		
L&T Infrastructure Development Projects Limited		
2001 Inflastituti Development Projects Limited		2,00,000
	-	2,00,000



Particulars	2015-16 Due to /(from)	2014-15 Due to /(from)
Holding Company	7	₹
L&T Infrastructure Development Projects Limited 2 Ultimate Holding Company	1,16,17,29,778	(37,49,74,099
Larsen & Toubro Limited	15,01,938	12,27,01

C. No amount due to/due from related parties has been written off/written back during the year.(Previous year is NIL)

M(7) Disclosures pursuant to AS 19 - " Leases"

- (a) The Company has not taken any asset on finance lease.
- (b) The Company has taken office premises and transit house under cancellable operating leases. Lease rental expenses in respect of operating leases for the year ₹.3,75,500/- (previous year.₹.1,42,800/-) has been included in Pre-operative expenses.

M(8) Disclosure pursuant to Accounting Standard (AS) 20 "Earnings per share"

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

Particulars		2015-16	2014-15
Basic and Diluted		₹	₹
Profit / (Loss) after tax as per accounts (₹) Weighted average number of shares outstanding Basic and Diluted EPS (₹) Face value per equity share (₹)	A B A/B	(59,86,339) 18,74,39,891 (0.03) 10.00	(97,50,439 7,04,27,890 (0.14

M(9) Disclosure pursuant to Accounting Standard (AS) 22 "Accounting for Taxes on Income"

The Company does not have taxable income as per the provisions of Income Tax Act, 1961 and hence no provision for current tax is made in accounts. There are no timing differences between accounting income and taxable income and hence no deferred tax asset/liability is recognised during the year.

M(10) Disclosure pursuant to Accounting Standard (AS) 28 "Impairment of Assets"

The Company has reviewed the future cash flows on the basis of value in use of its assets and is satisfied that the recoverable amount is more than the amount carried in the books. Accordingly no provision for impairment is required to be made in the books.

M(11) Disclosure pursuant to Accounting Standard (AS) 29 "Provisions, Contingent Liabilities and Contingent Assets"

No provisions were recognised during the year. Disclosure in respect of contingent habilities is given under Note H to the Balance sheet.

- M(12) CIF Value of imports is NIL during the year. (previous year: Nil)
- M(13) Figures for the previous year have been regrouped / reclassified wherever necessary.



D. The Holding Company L&T Infrastructure Development Projects Limited (L&T IDPL) has issued Sponsor Support and Put Option Agreements dated May 29, 2015 with the debenture trustees to fund the coupon shortfall in accordance with the terms of the agreement on behalf of Kudgi Transmission Limited. L&T IDPL has also given a commitment to purchase the debentures in accordance with the terms of the put option mentioned

N 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.

The preparation of financial statements requires 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 provisions for resurfacing obligations, employee benefit plans, provision for income taxes and provision for diminution in the value of investments.

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 the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

3. Revenue recognition

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

4. Employee benefits

a. Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. The benefits such as salaries, wages, short term compensated absences etc. and the expected cost of bonus, exgratia are recognized in the period in which the employee renders the related service.

b. Post employment benefits

(a) Defined contribution plans:

The Company's superannuation scheme and State governed provident fund linked with employee pension scheme are defined contribution plans. The contribution paid/ payable under the scheme is recognised during the period in which the employee renders the related service.

(b) Defined benefit plans:

The employees' gratuity fund scheme and the provident fund scheme managed by the trust of the Holding Company are the Group's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises 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 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 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 rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of profit and loss.

c. 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.



5. Tangible fixed assets

Tangible fixed assets are stated at original cost net of tax/duty availed, if any, less accumulated depreciation and cumulative

Tangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital work-in-progress". Transmission system under capital work-in-progress comprises of procurement of transmission towers and accessories, tower construction cost and other preoperative expenses incurred during the construction phase.

Pre-operative expenses including administrative and other general overhead expenses incurred up to the date of commencement of commercial operations, those which are specifically attributable to construction of the "Transmission system" are capitalized

6. Depreciation

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

Category of Asset	Useful Life (Years
(i) Office Equipment	
(a) Multifunctional devices printers, switches and projectors	
(ii) Furniture and Fixtures	4
(a) Airconditioning and refrigeration equipment	
Depreciation charge for impoired asset in the	10

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.

7. Intangible assets and amortisation

Intangible Asset is recognized 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.

Specialized software is amortized over a period of three years on straight line basis from the month in which the addition is Administrative and other general overhead expenses that are directly attributable to acquisition of intangible assets are allocated and capitalized as part of cost of the Intangible assets.

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

Investments

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

Long-term investments are carried at cost, after providing for any diminution in value, if such diminution is of other than

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

9. Impairment of assets

As at each Balance Sheet date, the carrying amount of asset is tested for impairment so as to determine :

- (i) the provision for impairment loss, if any; and
- (ii) the reversal of impairment loss recognised in previous periods, if any,

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

Recoverable amount is determined:

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

(Value in use is determined at 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)



10. Foreign Currency Transactions

- (i) The reporting currency of the Company is the Indian Rupee.
- (ii) 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. Nonmonetary items carried at historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.
- (iii) 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 recognized as income or expense in the period in which they arise.

11. Cash and cash equivalents

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.

12. Borrowing costs

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

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

13. Taxes on income

Tax on income for the current year 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 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 assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognized and carried forward to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Other deferred tax assets are recognized 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 assets can be realised.

14. Leases

Operating Leases

- (i) 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 & Loss on accrual basis. Lease rentals specifically attributable to the project under construction are accounted under pre-operative expenses pending allocation to fixed assets.
- (ii) Assets leased out under operating leases are capitalized. Rental income is recognized on accrual basis over the lease term.

15. Provisions, Contingent liabilities and contingent assets

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

- (i) the Company has a present obligation as a result of a past event.
- (ii) a probable outflow of resources is expected to settle the obligation and
- (iii) 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

- (i) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- (ii) a present obligation when no reliable estimate is possible and
- (iii) a possible obligation arising from past events where the probability of outflow of resources is not remote. Contingent Assets are neither recognized, nor disclosed.

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



16. Commitments

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

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

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

17. Operating cycle for current/non-current classification:

Operating cycle for the business activities of the Company covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable and extends upto the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

18. 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 the indirect method, the net profit is adjusted for the effects of:

- (i) transactions of a 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 comprises cash on hand and demand deposits with banks. Cash equivalents are short term, highly liquid investment that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

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 the date of Balance Sheet are also included under this category with a specific disclosure.

As per our report attached

For M.K.Dandeker & Co.

Chartered Accountants (Firm Reg.No.000679S)

By the hand of

S. Poosaidurai

Chief Financial Officer

Company Secretary

Director

Director

Place: Chennai

Partner

Date: April 26, 2016

Membership No. 223754

Place: Chennai

Date: April 26, 2016

For and on behalf of the Board



ATTENDANCE SLIP

KUDGI TRANSMISSION LIMITED

CIN: U40106TN2012GOI111122

Regd. Post Box No.979, Mount Poonamallee High Road, Manapakkam, CHENNAI – 600 089

Fourth Annual General Meeting, Wednesday, 28th September, 2016.

Reg. Folio No					
No. of Shares					
I certify that I am a registered share Company.	eholder/	proxy for th	e registe	ered sha	reholder of the
I hereby record my presence at the foon Wednesday, 28th September, 20 Company at Post Box No.979, Chennai – 600 089	016 at	11.30 A.M	at the i	registere	ed office of the
Name of the member			Sigr	nature o	f Member
Name of the Proxy (In block le	etters)		Sigr	nature o	f Proxy

PROXY FORM

Form No. MGT-11

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

CIN: *U40106TN2012GOI11122*

Name of the Company: Kudgi Transmission Limited

Regd. Office: Post Box No.979, Mount Poonamallee High Road, Manapakkam,

CHENNAI - 600 089

Name of the member (s):	
Registered address :	
E-mail Id:	
Folio No/ Client Id :	
DP ID :	
I/We, being the member (s) of hereby appoint:	shares of the above named company,
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 Fourth Annual General Meeting of the Company, to be held on Wednesday, 28th September, 2016 at 11:30 A.M. at the Registered office of the Company at Building Post Box No.979, Mount Poonamallee High Road, Manapakkam, CHENNAI – 600 089 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item	Resolutions	For	Against
No.			
Ordinary	Business		
1	Adoption of the audited Financial Statements for the period		
	from 1st April, 2015 to 31st March 2016 and the Reports of		
	the Board and Auditors thereon.		
2	Re-Appointment of Mr. P.G. Suresh Kumar (DIN		
	07124883), Director who retires by rotation.		
3	Appointment of Statutory Auditors of the Company and to		
	fix their Remuneration.		
Special Business			
4	Appointment of Mr. Mathew George (DIN 07402208) as		
	Director of the Company.		

Signed this	_ day of	_ 2016	Affix one
Signature of shareholder			Rupee Revenue
Signature of Proxy holder(s)			Stamp

Notes:

- 1. This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 2. A Proxy need not be a member of the Company.
- 3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4. This is only optional. Please put an 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- 5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
- 6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

Route map to the 4th AGM venue of Kudgi Transmission Limited

