BOARD'S REPORT (SECTION 134)

Dear Members,

The Directors have pleasure in presenting their report and Audited Accounts for the year ended 31st March, 2018.

FINANCIAL RESULTS / FINANCIAL HIGHLIGHTS:

(₹ in crore)

Particulars	2017-18	2016-17
Profit / (Loss) Before Depreciation, exceptional items & Tax	**189.61**	*137.16*
Less: Depreciation, amortization, impairment and obsolescence	**117.52**	*114.84*
Profit / (Loss) before exceptional items and tax	**72.09**	*22.32*
Add: Exceptional Items	–	–
Profit / (Loss) before tax	**72.09**	*22.32*
Less: Provision for tax	**16.04**	*4.59*
Profit / (Loss) for the year carried to the Balance Sheet	**56.05**	*17.72*
Add: Balance brought forward from previous year	**(331.07)**	*(331.08)*
Balance available for disposal (which the Directors appropriate as follows)	**(275.02)**	*(313.36)*
Net addition/ deduction on amalgamation	–	–
Debenture Redemption Reserve	**48.33**	*17.71*
General Reserve	–	–
Balance to be carried forward	**(323.35)**	*(331.07)*

CAPITAL & FINANCE

During the year, the Company has not issued and allotted share capital.

CAPITAL EXPENDITURE

As at March 31, 2018 the gross fixed and intangible assets including leased assets, stood at ₹ 1449.60 crore and the net fixed and intangible assets, including leased assets, at ₹ 434.61 Crore. Capital Expenditure during the year amounted to ₹ 0.20 crore

DEPOSITS

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 (the "Act") and the Rules framed thereunder.

DEPOSITORY SYSTEM

As on March 31, 2018, the shares/debentures of the Company are held in the following manner:

Equity shares:

More than 99% of the Company's equity paid up capital representing 4,34,99,994 equity shares @ ₹ 10/- each are in dematerialized form and 6 equity shares @ ₹ 10/- each are in physical form.

Non-convertible Debentures (NCD):

100% of Debentures representing 9,35,500 NCDs @ ₹ 10,000/- each are held in dematerialized form.

SUBSIDIARY COMPANIES

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

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

Since the Company is engaged in the business of developing infrastructure facilities, the provisions of Section 186 except sub-section (1) of the Act are not applicable to the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions during the year have been approved in terms of the Act. All related party transactions are at arms' length basis. Details of Related Party Transactions are provided in Annexure I (AOC-2).

STATE OF COMPANY AFFAIRS:

The gross revenue and other income for the financial year under review were ₹ 357.22 crore as against ₹ 275.94 crore for the previous financial year registering an increase of 29.46 %. The profit before tax was ₹ 72.10 crore and the profit after tax was ₹ 56.06 crore for the financial year under review as against ₹ 22.32 crore and ₹ 17.72 crore respectively for the previous financial year, registering an increase of 223 % and 216 % respectively.

AMOUNT TO BE CARRIED TO RESERVE:

During the year an amount of ₹ 48.33 crore was transferred to Debenture Redemption Reserve.

DIVIDEND

As the Company has no distributable profits, no dividend is recommended for the year.

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

There are no material changes and commitments affecting the financial position of the company, between the end of the financial year and the date of the report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

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 Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 conservation of energy and technology absorption does not apply to the Company.

Foreign exchange earnings and outgo

During the year the Company had incurred expenditure in foreign currency for an amount of ₹ 21.39 lakh.

RISK MANAGEMENT POLICY:

The Company follows the risk management policy of L&T Infrastructure Development Projects Limited (“Holding Company”) and has in place a mechanism to inform the Board Members about risk assessment and minimization procedures and periodical review to ensure that executive management controls risk by means of a properly designed framework.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company has constituted a CSR Committee in terms of the requirements of the Companies Act, 2013 comprising of, Mr. N. Raghavan, Dr. Esther Malini and Mr. Mathew George.

During the year 1(one) Meeting of the CSR Committee was held as detailed hereunder:

Date	Committee Strength	No. of members present
October 24, 2017	3	2

Details of CSR expenditure are given under Annexure II to this report.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED / RESIGNED DURING THE YEAR

Dr. Esther Malini, Director who had retired by rotation at the Annual General Meeting held on September 28, 2017 being eligible was re-appointed as Director at the said meeting.

Composition of Board of Directors of the Company as on March 31, 2018 stood as below:

S. No.	Name of the Director	Designation	DIN
1	Dr. Esther Malini	Woman Director	07124748
2	Mr. Mathew George	Director	07402208
3	Mr. K.C. Raman	Director	07763969
4	Mr. N. Raghavan	Independent Director	00251054
5	Mr. K.P.Raghavan	Independent Director	00250991

The Key Managerial Personnel (KMP) of the Company as on March 31, 2018 are:

S. No.	Name	Designation	Date of Appointment
1	Mr. Rajesh Tilokani	Manager	January 18, 2017
2	Mr. Gobinda Chandra Das	Chief Financial Officer	October 29, 2014

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.

During the year 4 (four) Board Meetings were held as detailed hereunder:

Date	Strength	No. of Directors Present
April 28, 2017	5	5
July 18, 2017	5	5
October 24, 2017	5	4
January 18, 2018	5	5

INFORMATION TO THE BOARD

The Board of Directors has complete access to the information within the Company which inter alia includes:

- Annual revenue budgets and capital expenditure plans
- Quarterly financials and results of operations
- Financing plans of the Company
- Minutes of the meeting of the Board of Directors, Audit Committee (AC), Nomination and Remuneration Committee (NRC), Corporate Social Responsibility Committee (CSR)
- Report on fatal or serious accidents
- Any materially relevant default, if any, in financial obligations to and by the Company
- Any issue which involves possible public or product liability claims of substantial nature, including any Judgement or Order, if any, which may have strictures on the conduct of the Company
- Development in respect of human resources
- Compliance or non-compliance of any regulatory, statutory nature or listing requirements and investor service

Presentations are made regularly to the Board/NRC/AC (minutes of Board, AC and NRC are circulated to the Board), where Directors get an opportunity to interact with senior managers. Presentations, interalia cover business strategies, management structure, HR policy, management development and planning, half-yearly and annual results, budgets, treasury, review of Internal Audit report, risk management, etc.

Independent Directors have the freedom to interact with the Company's management. Interactions happen during the Board / Committee Meetings, when senior company personnel make presentations about performance of the Company.

AUDIT COMMITTEE

The Company has constituted an Audit Committee in terms of the requirements of the Companies Act, 2013 comprising of Mr. K.P.Raghavan, Mr. N. Raghavan and Dr. Esther Malini.

During the year, four audit committee meetings were held as detailed hereunder:

Date	Strength	No. of members Present
April 28, 2017	3	3
July 18, 2017	3	3
October 24, 2017	3	3
January 18, 2018	3	3

As per the provisions of Section 177(9) of the Act, the Company is required to establish an effective Vigil Mechanism for directors and employees to report genuine concerns.

The Company follows the whistle blower policy of the Holding Company to report concerns about unethical activities, actual/suspected frauds and violation of Company's Code of Conduct. The policy provides for adequate safeguards against victimization of persons who avail the same and provides for direct access to the Chairman of the Audit Committee.

Member can view the details of the whistle blower policy under the said framework of the Holding Company on its website www.lntidpl.com.

COMPANY POLICY ON DIRECTOR APPOINTMENT AND REMUNERATION

The Company had constituted the Nomination and Remuneration Committee in accordance with the requirements of the Act read with the Rules made thereunder comprising of Mr. K.P.Raghavan, Mr. N. Raghavan and Dr. Esther Malini.

There were no meetings of the Nomination and Remuneration Committee held during the financial year under review.

The Committee has 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 and also for KMP.

DECLARATION OF INDEPENDENCE

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

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2018, the Board is of the opinion that the Company has sound IFC 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.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

No significant or 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.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms that:

a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.

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 statements 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.

Further, the Independent Directors at the meeting held on December 20, 2017, reviewed the performance of Board, Committees, and Non-Executive Directors. The performance evaluation of the Board, Committees and Directors was also reviewed by the Nomination and Remuneration Committee and the Board of Directors.

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 Company has adopted a policy on Protection of Women's Rights at workplace in line with the policy formulated by the Holding company. This has been widely disseminated. There were no complaints of sexual harassment received by the Company during the year.

AUDITOR'S REPORT

The Auditor's Report on the financial statements for the financial year 2017-18 are unqualified. The Notes to the accounts referred to in the Auditor's Report are self-explanatory and do not call for any further clarifications under section 134(3)(f) of the Act.

AUDITOR:

The Company at its 12th Annual General Meeting (AGM) held on September 28, 2017 for the Financial Year 2016-17 has appointed M/s. T.R.Chadha & Co, Chartered Accountants, (Firm Reg no: 06711N), as Auditors of the Company to hold office until the conclusion of the 17th Annual General Meeting of the Company to be held during the year 2022.

SECRETARIAL AUDITOR:

M/s. M.Balaji Rajan & Associates, a firm of Company Secretaries in practice, was appointed to conduct the Secretarial Audit for the financial year 2017-18 as required under Section 204 of the Act and rules made thereunder.

The Secretarial Audit Report to the shareholders, issued by Mr. M. Balaji Rajan (COP No: 6965), proprietor dated June 27, 2018, is attached as Annexure IV to this Report.

The Secretarial Audit Report contains the following qualification

"It has been observed that the company does not have Company secretary as required under the provisions of Section 203(1) read with Rule 8A of Companies (Appointment and remuneration of Managerial Personnel) Rules 2014………"

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

COST AUDITOR:

G. Sugumar & Co, Cost Accountants (Firm Reg No: 102522), was appointed as Cost Auditor of the Company for audit of cost accounting records for the financial year 2017-2018, pursuant to the provisions of Section 148 of the Act and Rule 3 and 4 of the Companies (Cost Records and Audit) Amendment Rules, 2014. The Report of the Cost Auditors for the financial year 2017-2018 would be filed with the Ministry of Corporate Affairs once the same is finalized.

The remuneration of the Cost Auditor was ratified at the Annual General Meeting held on September 28, 2017. The Cost Audit Report for the year 2016-2017 was filed with MCA on November 2, 2017.

DEBENTURE TRUSTEE

As at March 31, 2018, the aggregate value of outstanding Debentures allotted by the Company were ₹ 930.41 crore. M/s. IDBI Trusteeship Services Limited, having their office at Asian Building, Ground Floor, 17, R.Kamani Marg, Ballard Estate, Mumbai - 400001 have been appointed as the Debenture Trustees for the same.

EXTRACT OF ANNUAL RETURN

As per the provisions of Section 92(3) of the Act, an extract of the Annual Return in form MGT 9 is attached as Annexure III to this Report.

ACKNOWLEDGEMENT

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. Your Directors take this opportunity to thank financial institutions, banks, Trustee, Central and State Government authorities, regulatory authorities and all the stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

	DR. ESTHER MALINI	**K.C.RAMAN**
Place : Chennai	*Director*	*Director*
Date : July 14, 2018	*DIN: 07124748*	*DIN: 07763969*

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:**
   a. There were no contracts or arrangements entered into by the Company with related party(s) during the FY 2017-18 which required shareholders' approval as per Sec. 188(1) of the Companies Act, 2013
   b. The details of related party transactions during the FY 2017-18 form part of the financial statements as per Ind AS 24 and the same is given in Note H(5)

For and on behalf of the Board

	DR. ESTHER MALINI	**K.C.RAMAN**
Place : Chennai	*Director*	*Director*
Date : July 14, 2018	*DIN: 07124748*	*DIN: 07763969*

ANNEXURE II

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013)

a. Amount to be spent on CSR:

Particulars	**₹ in lakh**
Average Net Profit of the Company for the last three financial years	3037.08
Amount to be spent as CSR during the year	21.50
Amount carried forward from earlier years	–
Amount spent during the year	10.15
Amount unspent aggregating	11.35

The CSR committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy of the Company.

b. Manner in which amount spent during the financial year:

CSR project / activity identified	**Sector in which the Project is covered**	**Projects/Programs 1) Local area or other 2) specify the State and district where projects or Programs was undertaken**	**Amount outlay (budget) project / program wise**	**Amount spent on the project / programs Sub-heads: 1)Direct expenditure on projects or programs 2) Overheads**	**Cumulative spending upto the reporting period**	**Amount spent (Direct / implementing agency)**
Construction of Toilet Block	Sanitation	Kandari Village, Vadodara	500,000	4,74,121	–	–
Construction of Boundary wall for Community Centre	Rural / Community Development	Pali, Rajasthan	500,000	5,40,531	10,14,652	10,14,652

The Company envisaged to carry out CSR activities for the unspent amount towards construction of toilets for woman near toll-plaza or schools or such other places during the financial year 2018-19.

For and on behalf of the Board

DR. ESTHER MALINI
Director
DIN: 07124748

K.C.RAMAN
Director
DIN: 07763969

Place : Chennai
Date : July 14, 2018

ANNEXURE III

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[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	U45203TN2005PLC058417
Registration Date	23/12/2005
Name of the Company	Vadodara Bharuch 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	NSDL Database Management Limited 4th Floor, Trade World A Wing, Kamala Mills Compound Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 Ph: 022 4914 2591

*formerly known as "L&T Vadodara Bharuch Tollway Limited"

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, if any.	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 (L&T IDPL) 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 as on April 01, 2017				No. of Shares held as on March 31, 2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	–	–	–	–	–	–	–	–	–
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt (s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp	43499992	6*	43499998	99.99	43499992	6*	43499998	99.99	–
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any Other….	–	–	–	–	–	–	–	–	–
Sub-total (A) (1):-	**43499992**	**6***	**43499998**	**99.99**	**43499992**	**6***	**43499998**	**99.99**	**–**

Category of Shareholders	No. of Shares held as on April 01, 2017				No. of Shares held as on March 31, 2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									–
a) NRIs - Individuals	–	–	–	–	–	–	–	–	–
b) Other – Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corp.	–	–	–	–	–	–	–	–	–
d) Banks / FI	–	–	–	–	–	–	–	–	–
e) Any Other….	–	–	–	–	–	–	–	–	–
Sub-total (A) (2):-	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**43499992**	**6***	**43499998**	**99.99**	**43499992**	**6***	**43499998**	**99.99**	**–**
B. Public Shareholding									–
1. Institutions									–
a) Mutual Funds	–	–	–	–	–	–	–	–	–
b) Banks / FI	–	–	–	–	–	–	–	–	–
c) Central Govt	–	–	–	–	–	–	–	–	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
Sub-total (B)(1):-	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
2. Non-Institutions									**–**
a) Bodies Corp	–	–	–	–	–	–	–	–	–
i) Indian	–	–	–	–	–	–	–	–	–
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals	–	–	–	–	–	–	–	–	–
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2	–	2	0.01	2	–	2	0.01	–
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	–	–	–	–	–	–	–	–	–
c) Others (specify)	–	–	–	–	–	–	–	–	–
Sub-total (B)(2):-	**2**	**–**	**2**	**0.01**	**2**	**–**	**2**	**0.01**	**–**
Total Public Shareholding(B) = (B)(1)+ (B)(2)	**2**	**–**	**2**	**0.01**	**2**	**–**	**2**	**0.01**	**–**
C. Shares held by Custodian for GDRs & ADRs	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Grand Total (A+B+C)	**43499994**	**6***	**43500000**	**100**	**43499994**	**6***	**43500000**	**100**	**–**

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

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding as on April 01, 2017			Shareholding as on March 31, 2018			% 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 IDPL	43499992	99.99	–	43499992	99.99	–	–
2	Mr. Krishnamurthy Venkatesh jointly with L&T IDPL	1	0	–	1	0	–	–
3	Mr. T.S.Venkatesan jointly with L&T IDPL	1	0	–	1	0	–	–
4	Mr. Karthikeyan T V jointly with L&T IDPL	1	0	–	1	0	–	–
5	Mr. J.Subramanian jointly with L&T IDPL	1	0	–	1	0	–	–
6	Mr. P.G.Suresh Kumar jointly with L&T IDPL	1	0	–	1	0	–	–
7	Dr. Esther Malini jointly with L&T IDPL	1	0	–	1	0	–	–
	Total	**43499998**	**99.99**	**–**	**43499998**	**99.99**	**–**	**–**

(iii) Change in Promoters' Shareholding: No change in the shareholding

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Mr. R. G. Ramachandran**				
	As on April 01,2017	2	0.01	2	0.01
	No change in Shareholding during the year	–	–	–	–
	As on March 31, 2018	2	0.01	2	0.01

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For Each of the Directors and Key Managerial Personnel	No. of shares	% of total shares of the company	Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company
1.	**Dr. Esther Malini jointly with L&T IDPL**				
	As on April 1, 2017	1	0	1	0
	No change in shareholding during the year	–	–	–	–
	As on March 31, 2018	1	0	1	0

V. INDEBTEDNESS

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

(₹ in crore)

Particulars of indebtedness	Secured Loans excluding deposits	Unsecured Loans	Total Indebtedness
As on April 01, 2017			
i) Principal Amount	963.03	–	963.03
ii) Interest due but not paid	–	–	–
iii) Interest accrued but not due	19.88	–	19.88
Total (i+ii+iii)	**982.91**	**–**	**982.91**

(₹ in crore)

Particulars of indebtedness	Secured Loans excluding deposits	Unsecured Loans	Total Indebtedness
Change the financial year			
• Addition	0.22	–	0.22
• Reduction	(4.73)	–	(4.73)
Net Change	**(4.51)**	**–**	**(4.51)**
As on March 31, 2018			
i) Principal Amount	958.30	–	958.30
ii) Interest due but not paid	–	–	–
iii) Interest accrued but not due	20.10	–	20.10
Total (i+ii+iii)	**978.40**	**–**	**978.40**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in crore.)

Sl. no.	Particulars of Remuneration	Manager: Mr. Rajesh Tilokani	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.19	**0.19**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2.	Stock Option	–	**–**
3.	Sweat Equity	–	**–**
4.	Commission		
	- as % of profit		
	- others, specify…	–	**–**
5.	Others, please specify	–	**–**
	Total (A)	**0.19**	**0.19**
	Ceiling as per the Act	**1.20**	

B. Remuneration to other directors:

(Amount in ₹)

Sl. no	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. K.P.Raghavan	Mr. N.Raghavan	
1	Independent Directors			
	Fee for attending board meeting / committee meetings	1,50,000	1,60,000	3,10,000
	Commission	–	–	–
	Others	–	–	–
	Total (1)	**1,50,000**	**1,60,000**	**3,10,000**
2.	Other Non-Executive Directors			
	1. Mr.Mathew George			
	2. Mr.K.C.Raman			
	3. Dr.Esther Malini			
	No Fee for attending board / committee			
	Meetings and no Commission	Nil	Nil	
	Total (2)	**Nil**	**Nil**	
	Total =(1+2)	**1,50,000**	**1,60,000**	**3,10,000**
	Overall ceiling as per the Act (Sitting fees)	**Not more than ₹ 1,00,000/- per meeting of Board or Committee.**		

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

No remuneration was paid to KMP other than Manager of the Company. Mr. Gobinda Chandra Das, CFO of the Company is employed by the Holding Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board

	DR. ESTHER MALINI	**K.C.RAMAN**
Place : Chennai	*Director*	*Director*
Date : July 14, 2018	*DIN: 07124748*	*DIN: 07763969*

ANNEXURE IV

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31/03/2018

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

To
The Members,
M/S VADODARA BHARUCH TOLLWAY LIMITED (formerly Known as M/s. L&T VADODARA BHARUCH TOLLWAY LIMITED)
Chennai.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s VADODARA BHARUCH TOLLWAY LIMITED**, formerly Known as **M/s. L&T VADODARA BHARUCH TOLLWAY LIMITED** (CIN:U45203TN2005PLC058417) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **M/s.VADODARA BHARUCH TOLLWAY LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31/03/2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31/03/2018 according to the provisions of (i) The Companies Act, 2013 (the Act) and the rules made thereunder (ii) The National Highways Authority of India Act, 1988.

M/s VADODARA BHARUCH TOLLWAY LIMITED is an unlisted public limited company and hence compliance under the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) viz: (a) The Securities and Exchange Board of India(substantial Acquisition of shares and Takeovers) Regulations, 2011, (b) The Securities and Exchange Board of India(Prohibition of Insider Trading) Regulations,1992, (c) The Securities and Exchange Board of India(Issue of Capital and Disclosure Requirements) Regulations,2009, (d) The Securities and Exchange Board of India(Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999, (e) The Securities and Exchange Board of India(Issue and Listing of Debt Securities) Regulations, 2008, (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client, (g) The Securities and Exchange Board of India(Delisting of Equity Shares) Regulations, 2009 and (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 are not attracted.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India and during the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc as mentioned above.

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

It has been observed that that the company does not have Company Secretary as required under the provisions of Section 203(1) read with Rule 8A of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014.

Further that the management of the Company as informed that all the Related Party Transactions entered by the Company during the period under review have been entered at Arm’s Length Basis and therefore, compliance of provisions of Companies Act, 2013 in respect of any of these transactions do not arise.

I further report that the Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

In respect of resolution passed in circulation the company followed a healthy system of circulating the detailed agenda to all the Directors in a single file system, followed by placing the concerned agenda in the subsequent meeting.

A review of the minutes of the Board meetings held during the year indicate that wherever required detailed deliberations were carried out in respect of all the agenda items that were required to be so carried out and there were no dissenting views in respect of any of the items.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has obtained the approval of its members for the following major items at Annual General Meeting held on 28/09/2017:

- Appointment of Mr.K.C.Raman as Director of the company
- Alteration of Articles of Association of the Company for inserting the provision to have power to issue, consolidate and reissue debt Securities.

I further report that my audit was subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliances by the Company and I am not responsible for any lapses in those compliances on the part of the Company.

Place: Chennai
Date: 27/06/2018

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To
The Members,
M/s. Vadodara Bharuch Tollway Limited,
Chennai.

Our report of even date, it is to be read along with this supplementary testimony:

a) Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Record based on our audit

b) We have followed the audit practices and processes that were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

d) Wherever required, we have obtained Management representation about the compliance of laws, rules and regulation and happenings of events etc.

e) The Compliance of the provisions of corporate and other applicable laws, rules and regulation, standards is the reasonability of management. Our examination was limited to the verification of procedures on test basis.

f) The Secretarial Audit is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management conducted the affairs of the Company.

Place: Chennai
Date: 27/06/2018

INDEPENDENT AUDITOR'S REPORT

THE MEMBERS OF VADODARA BHARUCH TOLLWAY LIMITED
(Formerly known as L&T Vadodara Bharuch Tollway Limited)

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Vadodara Bharuch Tollway Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS Financial Statements").

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs(financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its loss(financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 & 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
    (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
    (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

I. The Company does not have any pending litigations which would impact its Ind AS financial position.

II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

III. There were no amounts which were required to be transferred to the investor's education and protection fund by the company.

FOR T R CHADHA & CO LLP
Firm's Reg. No-: 006711N/N500028
Chartered Accountants

ARVIND MODI
Partner
Membership No-112929

Place : Chennai
Dated : April 23, 2018

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

(i) Fixed Assets

a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b) The fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size & nature of the company. No material discrepancies were noted on such verification.

c) The title deeds of immovable properties are held in the name of the Company.

(ii) Inventories

The Company is engaged in the business of Infrastructure development and its maintenance and there is no inventory in hand at any point of time, hence paragraph 3 (ii) of the order is not applicable to the Company.

(iii) Loans given

The Company has not granted any Secured or unsecured loan to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence reporting under clause 3 (iii) (a), (b) and (c) does not arise.

(iv) Compliance of Sec. 185 & 186

According to the information and explanations given to us, provisions of section 185 & 186 of the Companies Act, 2013 are complied with in respect of loans, investments, guarantees and securities given by the company, if any.

(v) **Public Deposit**

During the year, the company has not accepted any deposits from the public, therefore, paragraph 3 (v) of the order is not applicable.

(vi) Cost Records

The company is maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act in respect of service carried out by the company.

(vii) Statutory Dues

a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Employees State Insurance, income-tax, SalesTax, Service tax, Goods & Service Tax, Value Added Tax and cess etc. except in some cases in deposition of TDS & Service Tax liability during the year. There are no undisputed dues payable, outstanding as on 31st March, 2018 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no amounts in respect of income tax, service tax etc. that have not been deposited with the appropriate authorities on account of any dispute.

(viii) The company has not defaulted in repayment of loans or borrowings to financial institutions, bank, Government or dues to debenture holders, if any.

(ix) The Company has not raised money by way of initial public offer or further public offer (including debt instrument) any term loans during the period under audit therefore, paragraph 3 (ix) of the order is not applicable to the company.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year.

(xi) According to information & explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.

(xii) As explained, the company is not a Nidhi Company. Therefore paragraph 3 (xii) of the order is not applicable to the company.

(xiii) As per the information and explanations given by the management, all the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) As per the information and explanations given by the management, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore paragraph 3 (xiv) of the order is not applicable to the company.

(xv) As per the information and explanations given by the management, the company has not entered into any non-cash transaction with directors or persons connected with him. Therefore paragraph 3 (xv) of the order is not applicable to the company.

(xvi) As per the information and explanations given by the management, company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore paragraph 3 (xvi) of the order is not applicable to the company.

FOR T R CHADHA & CO LLP
Firm's Reg. No-: 006711N/N500028
Chartered Accountants

ARVIND MODI
Partner
Membership No-112929

Place : Chennai
Dated : April 23, 2018

ANNEXURE - B

THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF VADODARA BHARUCH TOLLWAY LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Vadodara Bharuch Tollway Limited ("the Company") as of 31 March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2018, based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

FOR T R CHADHA & CO LLP
Firm's Reg. No-: 006711N/N500028
Chartered Accountants

ARVIND MODI
Partner
Membership No-112929

Place : Chennai
Dated : April 23, 2018

BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at 31.03.2018 ₹	*As at 31.03.2017 ₹*
ASSETS			
(1) Non-current assets			
a) Property, Plant and Equipment	1	6,864,961	*8,592,057*
b) Intangible assets	2	4,339,215,416	*5,511,207,825*
d) Financial Assets			
i) Loans	3	2,760,170	*2,761,801*
e) Deferred tax assets (net)		–	*5,974,713*
f) Other non-current assets	4	40,375,557	*16,431,615*
	A	4,389,216,104	*5,544,968,011*
Current assets			
a) Financial Assets			
i) Investments	5	3,200,797,724	*1,879,164,797*
ii) Trade receivables	6	2,046,221	*–*
iii) Cash and bank balances	7	91,010,127	*43,522,151*
iv) Other Bank balance other than above	7	125,719	*115,480*
v) Loans	3	907,600,000	*273,720,283*
b) Current Tax Assets (net)	4	–	*8,738,441*
c) Other current assets	4	96,739,491	*95,520,420*
	B	4,298,319,282	*2,300,781,572*
TOTAL	A+B	8,687,535,386	*7,845,749,583*
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share capital	8	435,000,000	*435,000,000*
b) Other Equity	9	(2,494,517,891)	*(3,049,107,508)*
	C	(2,059,517,891)	*(2,614,107,508)*
LIABILITIES			
(1) Non-current liabilities			
a) Financial liabilities			
i) Borrowings	10	8,003,458,300	*9,570,270,802*
ii) Other financial liabilities	11	1,471,380	*1,471,380*
b) Provisions	12	1,297,210	*573,941,405*
c) Other non-current liabilities	13	–	*338,716*
	D	8,006,226,890	*10,146,022,303*
Current liabilities			
a) Financial liabilities			
i) Trade payables	14	33,241,050	*29,820,165*
ii) Other financial liabilities	11	1,780,560,916	*258,828,360*
b) Other current liabilities	13	49,584,037	*24,739,935*
c) Provisions	12	871,697,255	*446,328*
d) Current tax liabilities (net)	15	5,743,129	*-*
	E	2,740,826,387	*313,834,788*
Total Equity and Liabilities	C+D+E	8,687,535,386	*7,845,749,583*
Contingent liabilities	F		
Commitments	G		
Other notes forming part of accounts	H		
Significant accounting policies	I		

As per our report of even date attached
T R Chadha & Co LLP
Chartered Accountants
Firm Registration No : 006711N / N500028
By the hand of

ARVIND MODI
Partner
Membership No.: 112929
Place : Ahmedabad
Date : April 23, 2018

For and on behalf of the Board of

GOBINDA CHANDRA DAS
Chief Financial Officer

MATHEW GEORGE
Director
DIN: 07402208

ESTHER MALINI
Director
DIN: 07124748

Place : Chennai
Date : April 23, 2018

VADODARA BHARUCH TOLLWAY LIMITED
(Formerly known as L&T Vadodara Bharuch Tollway Limited)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Note	2017-18		2016-17	
		₹	₹	₹	₹
REVENUE					
Revenue from Operations	16		3,303,527,961		2,662,083,665
Other income	17		268,695,993		97,325,767
Total Revenue			3,572,223,954		2,759,409,432
EXPENSES					
Operating expenses	18		519,621,911		359,424,629
Employee benefit expenses	19		18,572,965		11,811,366
Finance costs	20		1,079,409,955		976,076,167
Depreciation and amortisation	1&2		1,175,191,201		1,148,406,239
Administration and other expenses	21		57,508,583		40,625,280
Total Expenses			2,850,304,615		2,536,343,681
Profit/(loss) before tax			721,919,339		223,065,751
Tax Expense:					
Current tax		156,413,655		45,932,881	
Adjustment of tax relating to earlier periods		4,017,437		-	
			160,431,092		45,932,881
Profit/(loss) after tax for the year			561,488,247		177,132,870
Profit for the year			561,488,247		177,132,870
Other Comprehensive Income					
i) Items that will not be reclassified to profit or loss (net of tax)					
Remeasurement of net defined benefit liability or asset			(923,917)		91,861
ii) Items that will be reclassified to profit or loss (net of tax)					
Total Other Comprehensive Income			(923,917)		91,861
Total Comprehensive Income for the year			560,564,330		177,224,731
Earnings per equity share (Basic and Diluted)	H 8		12.91		4.07
Face value per equity share			10.00		10.00

As per our report of even date attached
T R Chadha & Co LLP
Chartered Accountants
Firm Registration No : 006711N / N500028
By the hand of

ARVIND MODI
Partner
Membership No.: 112929
Place : Ahmedabad
Date : April 23, 2018

For and on behalf of the Board of

GOBINDA CHANDRA DAS
Chief Financial Officer

MATHEW GEORGE
Director
DIN: 07402208

ESTHER MALINI
Director
DIN: 07124748

Place : Chennai
Date : April 23, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

S. No.	Particulars	2017-18 ₹	2016-17 ₹
A	**Net profit / (loss) before tax and extraordinary items**	**721,919,339**	*223,065,751*
	Adjustment for		
	Depreciation and amortisation expense	**1,175,191,201**	*1,148,406,239*
	Interest expense	**1,079,409,955**	*976,076,167*
	Interest income	**(79,355,270)**	*(56,621,248)*
	(Profit)/loss on sale of current investments(net)	**(160,525,081)**	*(41,332,371)*
	(Profit)/loss on sale of fixed assets	**(1,907,711)**	*(270,790)*
	Operating profit before working capital changes	**2,734,732,433**	*2,249,323,748*
	Adjustments for:		
	Increase / (Decrease) in long term provisions	**(633,030,158)**	*173,416,339*
	Increase / (Decrease) in trade payables	**3,420,885**	*13,051,069*
	Increase / (Decrease) in other current liabilities	**24,844,102**	*(621,195)*
	Increase / (Decrease) in other current financial liabilities	**–**	*–*
	Increase / (Decrease) in other non-current financial liabilities	**(338,716)**	*(224,489)*
	Increase / (Decrease) in short term provisions	**871,250,927**	*68,953*
	(Increase) / Decrease in loan term loans and advances	**1,631**	*1,000*
	(Increase) / Decrease in other non-current assets	**–**	*–*
	(Increase) / Decrease in Trade Receivables	**(2,046,221)**	*–*
	(Increase) / Decrease in short term loans and advances	**(612,600,000)**	*(295,000,000)*
	(Increase) / Decrease in inventories	**–**	*–*
	(Increase) / Decrease in other current assets	**(25,173,252)**	*(101,557,515)*
	Net cash generated from/(used in) operating activities	**2,361,061,631**	*2,038,457,910*
	Direct taxes paid (net of refunds)	**(145,949,522)**	*(49,144,882)*
	Net Cash(used in)/generated from Operating Activities	**2,215,112,109**	*1,989,313,028*
B	**Cash flow from investing activities**		
	Purchase of fixed assets	**(1,963,872)**	*(2,766,702)*
	Sale of fixed assets	**2,399,885**	*24,432,443*
	Purchase of current investments	**7,912,136,996**	*4,490,500,000*
	Sale of current investments	**(9,073,244,841)**	*(5,876,157,043)*
	Interest received	**899,693**	*46,728,186*
	Rent received	**5,893,037**	*3,445,165*
	Net cash (used in)/generated from investing activities	**(1,153,879,102)**	*(1,313,817,951)*

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

S. No.	Particulars	2017-18 ₹	2016-17 ₹
C	**Cash flow from financing activities**		
	Repayment of long term borrowings	**(60,000,000)**	*(89,711,911)*
	Interest paid	**(953,745,038)**	*(791,404,998)*
	Net cash (used in)/generated from financing activities	**(1,013,745,038)**	*(881,116,909)*
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**47,487,969**	*(205,621,832)*
	Cash and cash equivalents as at the beginning of the year	**43,522,151**	*249,143,984*
	Cash and cash equivalents as at the end of the year	**91,010,127**	*43,522,151*

1	**Components of Cash & Cash Equivalents:**	**As at March 31, 2018**	*As at March 31, 2017*
	Cash in hand	**14,119,946**	*35,188,255*
	Balances with Schedule Banks		
	In Current Accounts	**19,367,181**	*8,333,896*
	In Fixed eposits	**57,523,000**	-
	Total Cash and cash equivalents	**91,010,127**	*43,522,151*

2. The Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 on Cash Flows Statement.

As per our report of even date attached
T R Chadha & Co LLP
Chartered Accountants
Firm Registration No : 006711N / N500028
By the hand of

ARVIND MODI
Partner
Membership No.: 112929
Place : Ahmedabad
Date : April 23, 2018

For and on behalf of the Board of

GOBINDA CHANDRA DAS
Chief Financial Officer

MATHEW GEORGE
Director
DIN: 07402208

ESTHER MALINI
Director
DIN: 07124748

Place : Chennai
Date : April 23, 2018

NOTES FORMING PART OF ACCOUNTS

1 PROPERTY, PLANT AND EQUIPMENT (AT COST OR DEEMED COST)

(in ₹)

Particulars	Cost				Depreciation				Book Value	
	As at April 01, 2017	Additions	Disposals	As at March 31, 2018	As at April 01, 2017	For the year	On Disposals	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Owned										
Building	1,648,644	–	–	1,648,644	78,506	39,252	–	117,758	1,530,886	1,570,138
Plant and Equipment	30,127,788	648,280	1	30,776,067	26,806,693	1,272,548	–	28,079,241	2,696,827	3,321,095
Furniture and fixtures	1,441,029	554,301	–	1,995,330	922,053	788,591	–	1,710,644	284,686	518,976
Vehicles	3,634,906	–	1,570,138	2,064,768	1,614,056	534,238	1,077,965	1,070,329	994,439	2,020,850
Office equipment	370,293	614,138	–	984,431	200,209	146,769	–	346,978	637,453	170,084
Electrical installations	662,202	–	–	662,202	178,425	89,208	–	267,633	394,569	483,777
Computers, laptops and printers	945,426	147,152	–	1,092,578	438,289	328,188	–	766,477	326,101	507,137
Total	38,830,288	1,963,871	1,570,139	39,224,020	30,238,231	3,198,794	1,077,965	32,359,060	6,864,961	8,592,057
Previous year	*39,988,408*	*3,140,874*	*4,298,994*	*38,830,288*	*19,746,211*	*14,353,471*	*3,861,451*	*30,238,231*	*8,592,057*	*20,242,197*

Refer Note H(18) for information on property, plant and equipments pledged as security.

There is no restriction on title of property, plant and equipments.

There is no contractual commitment on acquition of property, plant and equipments.

2 INTANGIBLE ASSETS

(in ₹)

Particulars	Cost				Amortisation				Book Value	
	As at April 01, 2017	Additions	Disposals	As at March 31, 2018	As at April 01, 2017	For the year	On Disposals	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Specialised Software	275,000	–	–	275,000	275,000	–	–	275,000	–	–
Toll collection rights	14,456,478,241	–	–	14,456,478,239	8,945,270,416	1,171,992,407	–	10,117,262,823	4,339,215,416	5,511,207,825
Total	14,456,753,241	–	–	14,456,753,239	8,945,545,416	1,171,992,407	–	10,117,537,823	4,339,215,416	5,511,207,825
Previous year	*14,456,753,241*	*23,701,059*	*23,701,059*	*14,456,753,241*	*7,811,095,426*	*1,134,449,990*	–	*8,945,545,416*	*5,511,207,825*	*6,645,657,815*

(in ₹)

Particulars	Cost				Depreciation				Book Value	
	As at April 01, 2016	Additions	Disposals	As at March 31, 2017	As at April 01, 2016	For the year	On Disposals	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Owned										
Building	1,648,644	–	–	1,648,644	39,253	39,253	–	78,506	1,570,138	1,609,391
Plant and Equipment	29,151,344	1,111,932	135,488	30,127,788	15,863,928	10,990,475	47,710	26,806,693	3,321,095	13,287,416
Furniture and fixtures	1,117,023	324,006	–	1,441,029	309,819	612,234	–	922,053	518,976	807,204
Vehicles	6,537,465	1,194,280	4,096,839	3,634,906	3,240,026	2,187,771	3,813,741	1,614,056	2,020,850	3,297,439
Office equipment	221,834	148,459	–	370,293	51,167	149,042	–	200,209	170,084	170,667
Electrical installations	662,202	–	–	662,202	89,212	89,213	–	178,425	483,777	572,990
Computers, laptops and printers	649,896	362,197	66,667	945,426	152,806	285,483	–	438,289	507,137	497,090
Total	39,988,408	3,140,874	4,298,994	38,830,288	19,746,211	14,353,471	3,861,451	30,238,231	8,592,057	20,242,197

Disclosure of Material Intangible Asset

Toll collection rights of widening of existing two-lane of 83.3 kilometers Road stretch covering Vadodara to Bharuch to make it four lane.

Particulars	Remaining Amortization Period (Years)
As at March 31, 2018	**3.77**
As at March 31, 2017	*4.77*

NOTES FORMING PART OF ACCOUNTS (Contd.)

There is no restriction on title of Tolling rights.

There is no contractual commitment on acquition of Tolling rights.

(in ₹)

Particulars	Cost				Amortisation				Book Value	
	As at April 01, 2016	Additions	Disposals	As at March 31, 2017	As at April 01, 2016	For the year	On Disposals	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Specialised Software	275,000	–	–	**275,000**	275,000	–	–	**275,000**	**–**	–
Toll collection rights	14,456,478,241	23,701,059	23,701,059	**14,456,478,241**	7,810,820,426	1,134,449,990	–	**8,945,270,416**	**5,511,207,825**	6,645,657,815
Total	14,456,753,241	23,701,059	23,701,059	**14,456,753,241**	7,811,095,426	1,134,449,990	–	**8,945,545,416**	**5,511,207,825**	6,645,657,815

3 LOANS

Particulars	March 31, 2018 Current ₹	Non-current ₹	Total ₹	*March 31, 2017* Current ₹	Non-current ₹	Total ₹
a) Security deposits						
Unsecured, considered good	**–**	**2,760,170**	**2,760,170**	–	2,761,801	2,761,801
b) Loans to related parties						
L&T Rajkot Vadinar Tollway Limited	**354,100,000**	**–**	**354,100,000**	95,030,606	–	95,030,606
Ahmedabad Maliya Tollway Limited	**273,000,000**	**–**	**273,000,000**	95,588,972	–	95,588,972
L&T Samakhiali Gandhidham Tollway Limited	**150,500,000**	**–**	**150,500,000**	83,100,705	–	83,100,705
L&T BPP Tollway Limited	**130,000,000**	**–**	**130,000,000**	–	–	
	907,600,000	**2,760,170**	**910,360,170**	273,720,283	2,761,801	276,482,084

4 OTHER NON-CURRENT AND CURRENT ASSETS

Particulars	March 31, 2018 Current ₹	Non-current ₹	Total ₹	*March 31, 2017* Current ₹	Non-current ₹	Total ₹
Advances other than capital advances						
Advances to employees	**–**	**–**	**–**	57,000	–	57,000
Other advances	**83,905**	**–**	**83,905**	72,495	–	72,495
Advance recoverable other than in cash						
Prepaid Insurance	**1,749,313**	**–**	**1,749,313**	1,716,869	–	1,716,869
Prepaid expenses	**479,564**	**–**	**479,564**	459,480	–	459,480
Balances with Government Authority	**551,438**	**36,719**	**588,157**	–	36,719	36,719
NHAI receivable	**93,214,576**		**93,214,576**	93,214,576	–	93,214,576
Other Receivable (Considered good)	**660,695**	**40,338,838**	**40,999,533**		16,394,896	16,394,896
	96,739,491	**40,375,557**	**137,115,048**	95,520,420	16,431,615	111,952,035

Particulars	March 31, 2018 Current ₹	Non-current ₹	Total ₹	*March 31, 2017* Current ₹	Non-current ₹	Total ₹
Advance Income tax						
Income tax net of provisions	**–**	**–**	**–**	8,738,441	–	8,738,441
	–	**–**	**–**	8,738,441	–	8,738,441

NOTES FORMING PART OF ACCOUNTS (Contd.)

5 INVESTMENTS

Particulars	As at March 31, 2018 Units	As at March 31, 2018 ₹	*As at March 31, 2017 Units*	*As at March 31, 2017 ₹*
Investments at fair value through Profit and loss				
Birla Sun Life Cash Plus Growth	–	–	*1,027,293*	*267,623,378*
HDFC Liquid Fund - Growth	**235,130**	**801,925,946**	–	–
IDFC Cash Fund- Super- Inst Plan-B-Growth	–	–	*91,497*	*180,334,223*
L&T Liquid Fund- Growth	–	–	*168,901*	*375,764,380*
Reliance Liquid Fund - Cash plan	–	–	*109,586*	*267,629,509*
Tata Liquid Plan A Growth	**283,458**	**904,699,715**	*38,400*	*114,812,886*
SBI Premier Liquid Super Institutional Growth	–	–	*73,145*	*186,205,135*
Kotak Liquid Institutional Premium Plan Growth	**204,110**	**717,015,902**	*18,463*	*60,755,127*
ICICI Prudential Liquid Fund - Regular - Growth	**3,032,936**	**777,156,161**	*62,603*	*15,034,482*
Invesco Mutual Fund	–	–	*184,110*	*411,005,677*
Religare Liquid Fund Super Institutional Growth	–	–	–	–
		3,200,797,724		*1,879,164,797*
Aggregate book value of quoted investments		**3,200,797,724**		1,879,164,793
Aggregate market value of quoted investments		3,200,797,724		1,879,164,793

6 TRADE RECEIVABLES (AT AMORTISED COST, UNLESS SPECIFIED)

Particulars	**As at March 31, 2017 Current ₹**	*As at March 31, 2016* Current ₹
Unsecured, considered good		
Others	**2,046,221**	–
	2,046,221	–
Less: Allowance for credit losses	–	–
	2,046,221	–

No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

7 CASH AND BANK BALANCES

Particulars	**As at March 31, 2018 ₹**	*As at March 31, 2017 ₹*
a) Balances with banks	**19,367,181**	*8,333,896*
b) Cash on hand	**14,119,946**	*35,188,255*
c) Fixed deposits with banks of less than 3 months (incl. interest accrued thereon)	**57,523,000**	-
Other bank balance		
Fixed Deposit held as Security against Bank Guarantee	**125,719**	115,480
	91,135,846	*43,637,631*

NOTES FORMING PART OF ACCOUNTS (Contd.)

8 SHARE CAPITAL

(i) Authorised, issued, subscribed and paid up:

Particulars	As at March 31, 2018 No. of shares	As at March 31, 2018 ₹	As at March 31, 2017 No. of shares	As at March 31, 2017 ₹
Authorised:				
Equity shares of ₹ 10 each	**220,000,000**	**2,200,000,000**	*220,000,000*	*2,200,000,000*
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	**43,500,000**	**435,000,000**	*43,500,000*	*435,000,000*
	43,500,000	**435,000,000**	*43,500,000*	*435,000,000*

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

Particulars	As at March 31, 2018 No. of shares	As at March 31, 2018 ₹	As at March 31, 2017 No. of shares	As at March 31, 2017 ₹
At the beginning of the year	**43,500,000**	**435,000,000**	*43,500,000*	*435,000,000*
Issued during the year as fully paid	**–**	**–**	*–*	*–*
At the end of the year	**43,500,000**	**435,000,000**	*43,500,000*	*435,000,000*

(iii) Terms / rights attached to shares

Equity shares of ₹10 each

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, 2018 No. of shares	As at March 31, 2018 ₹	As at March 31, 2017 No. of shares	As at March 31, 2017 ₹
L&T Infrastructure Development Projects Limited (including nominee holding)	**43,499,998**	**434,999,980**	*43,499,998*	*434,999,980*
Larsen and Toubro Limited (ultimate holding company)	**2**	**20**	*2*	*20*
	43,500,000	**435,000,000**	*43,500,000*	*435,000,000*

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

Particulars	As at March 31, 2018 No. of shares	As at March 31, 2018 ₹	As at March 31, 2017 No. of shares	As at March 31, 2017 ₹
L&T Infrastructure Development Projects Limited (including nominee holding)	**43,499,998**	**100%**	*43,499,998*	*100%*

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

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

NOTES FORMING PART OF ACCOUNTS (Contd.)

9 OTHER EQUITY AS ON MARCH 31, 2018

(a) Equity Share Capital

Particulars	As at March 31, 2018 ₹	*As at March 31, 2017* ₹
Balance as at April 01, 2017	**435,000,000**	**435,000,000**
Changes in equity share capital during the year	–	–
Balance as at March 31, 2018	**435,000,000**	*435,000,000*

(b) Other Equity

Particulars	Reserves & Surplus		Total
	Debenture Redemption Reserve	Retained earnings	₹
Balance as at April 01, 2017	**255,645,866**	**(3,304,753,374)**	**(3,049,107,508)**
Changes in accounting policy or prior period errors	–	–	–
Deferred Tax Asset	–	(5,974,713)	(5,974,713)
Transfer to retained earnings	–		–
Profit for the year	–	561,488,247	561,488,247
Total other comprehensive income for the year	–	(923,917)	(923,917)
Transfer from / (to) debenture redemption reserve	483,314,995	(483,314,995)	–
Balance as at March 31, 2018	**738,960,861**	**(3,233,478,752)**	**(2,494,517,891)**

Particulars	Reserves & Surplus		Total
	Debenture Redemption Reserve	Retained earnings	₹
Balance as at April 01, 2016	**78,512,996**	**(3,310,819,948)**	**(3,232,306,952)**
Deferred Tax Asset	–	5,974,713	5,974,713
Transfer to retained earnings	–	–	–
Profit for the year	–	177,132,870	177,132,870
Other comprehensive income	–	91,861	91,861
Transfer from / (to) debenture redemption reserve	177,132,870	(177,132,870)	–
Balance as at March 31, 2017	**255,645,866**	**(3,304,753,374)**	**(3,049,107,508)**

The company has issued redeemable non convertible debentures. Accordingly, the companies (share capital and debenture) Rules, 2014(as amended), require the company to create DRR out of the profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of the debentures issued. However, due to inavailability of sufficient profits, DRR has been created to the extent of distributable profit available.

As per our report of even date attached
T R Chadha & Co LLP
Chartered Accountants
Firm Registration No : 006711N / N500028
By the hand of

ARVIND MODI
Partner
Membership No.: 112929
Place : Ahmedabad
Date : April 23, 2018

For and on behalf of the Board of

GOBINDA CHANDRA DAS
Chief Financial Officer

MATHEW GEORGE
Director
DIN: 07402208

ESTHER MALINI
Director
DIN: 07124748

Place : Chennai
Date : April 23, 2018

NOTES FORMING PART OF ACCOUNTS (Contd.)

10 BORROWINGS

Particulars	As at March 31, 2018			*As at March 31, 2017*		
	Current	Non current	Total	*Current*	*Non current*	*Total*
	₹	₹	₹	₹	₹	₹
Secured borrowings						
a) Debentures	**1,440,000,000**	**7,864,093,686**	**9,304,093,686**	–	*9,297,007,730*	*9,297,007,730*
b) Term loans						
i) From banks	**139,551,865**	**139,364,614**	**278,916,479**	*60,000,000*	*273,263,072*	*333,263,072*
Less: Transferred to Oher Financial Liabilities (Refer Note No 11)	**(1,579,551,865)**	**-**	**(1,579,551,865)**	*(60,000,000)*	–	*(60,000,000)*
	–	**8,003,458,300**	**8,003,458,300**	–	*9,570,270,802*	*9,570,270,802*

Details of long term borrowings

Particulars	Effective interest rate	Terms of repayment
Non Convertible Debentures from India Infradebt Limited	9.50%	50% on April 4, 2018, 25% on October 1, 2019 and December 31, 2019
Non Convertible Debentures from Aditya Birla Finance Limited	9.90%	Redemption in bullet instalment on June 30, 2021
Non Convertible Debentures from SBI MF	10.08%	Redemption in bullet instalment on June 30, 2021
Non Convertible Debentures from Birla Sunlife	10.08%	Redemption in bullet instalment on June 30, 2021
Term loans from banks	10.02%	Repayable in 114 monthly unequal instalment and the Last date of repayment is Dec 31, 2020

Details of Debentures

Particulars	Amount	No. of Debenture	Face Value of Debentures	Date of Allotment	Coupon rate
Non Convertible Debentures from India Infradebt Limited	2,880,000,000	288,000	10,000	31st December 2015	9.50%
Non Convertible Debentures from Aditya Birla Finance Limited	2,500,000,000	250,000	10,000	2nd February 2016	9.90%
Non Convertible Debentures from SBI MF	1,987,500,000	198,750	10,000	3rd October 2016	10.10%
Non Convertible Debentures from Birla Sunlife	1,987,500,000	198,750	10,000	3rd October 2016	10.10%

Nature of security for term loans/debentures

1) Term loans rank pari passu inter se lenders and are secured by

a) beneficial rights, title, interest in respect of immoveable property in particular flat situated in Pune;
b) rights, title, interest, benefits, claims and demands in respect of Project documents, clearances, insurance contracts;
c) all moveable tangible and intangible assets excluding project assets;
d) bank accounts;
e) charge on uncalled capital, permitted investments, all other investments and all rights, titles, interest, property, claims and demands;
f) all receivables including amounts receivable under guarantees including contractor guarantee, performance bonds provided to any party under Project documents, liquidated damages, letter of credit, receivables from shareholders including accounts where amounts are held;
g) all receivables in relation to the Project;
h) first charge of all other general moveable property. 51% of shares of the company held by L&T Infrastructure Development Projects Limited are pledged as Security with lenders.

2) Non-Convertible Debentures are secured by

a) first charge on all tangible movable assets except Project assets;
b) a first charge over all accounts;
c) a first charge over all intangible assets but not limited to goodwill, rights, undertaking, uncalled capital excluding Project assets;
d) first charge over right, title, interest, benefit, claims and demands under Government approvals, insurance contracts, project documents, any letter of credit, guarantee including contractor guarantees, liquidated damages and performance bond.

NOTES FORMING PART OF ACCOUNTS (Contd.)

11 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2018			*As at March 31, 2017*		
	Current ₹	Non current ₹	Total ₹	*Current ₹*	*Non current ₹*	*Total ₹*
a) Deposits received	–	1,471,380	1,471,380	*–*	*1,471,380*	*1,471,380*
b) Interest accrued	201,009,051	–	201,009,051	*198,828,360*	*–*	*198,828,360*
c) Other liabilities						
i) Current Maturities of Long Term borrowings	1,579,551,865	–	1,579,551,865	*60,000,000*	*–*	*60,000,000*
	1,780,560,916	1,471,380	1,782,032,296	*258,828,360*	*1,471,380*	*260,299,740*

12 PROVISIONS

Particulars	As at March 31, 2018			*As at March 31, 2017*		
	Current ₹	Non current ₹	Total ₹	*Current ₹*	*Non current ₹*	*Total ₹*
Provision for employee benefits (Refer note H(2))						
Gratuity	367,470	985,502	1,352,972	*248,922*	*232,441*	*481,363*
Compensated Absence	261,669	311,708	573,377	*197,406*	*1,854,136*	*2,051,542*
Provisions for periodic major maintenance (Refer note H(9))	871,068,116	–	871,068,116	*–*	*571,854,828*	*571,854,828*
	871,697,255	1,297,210	872,994,465	*446,328*	*573,941,405*	*574,387,733*

13 OTHER NON-FINANCIAL LIABILITIES

Particulars	As at March 31, 2018			*As at March 31, 2017*		
	Current ₹	Non current ₹	Total ₹	*Current ₹*	*Non current ₹*	*Total ₹*
i) Other liabilities	44,472,137	–	44,472,137	*20,921,763*	*338,716*	*21,260,479*
ii) Statutory payables	5,111,900	–	5,111,900	*3,818,176*	*–*	*3,818,176*
	49,584,037	–	49,584,037	*24,739,939*	*338,716*	*25,078,655*

14 TRADE PAYABLES

Particulars	As at 31.03.2018 ₹	*As at 31.03.2017 ₹*
Acceptances		
Due to related parties (Refer Note H(5))	17,586,958	*17,230,930*
Due to others	15,654,092	*12,589,235*
	33,241,050	*29,820,165*

15 LIABILITIES FOR CURRENT TAX (NET)

Particulars	As at 31.03.2018 ₹	*As at 31.03.2017 ₹*
Liabilities for current tax (net)	5,743,129	*–*
	5,743,129	*–*

There are no amounts due to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Hence, reporting details of principal and interest does not arise.

F CONTINGENT LIABILITIES

Contingent liability as at March 31, 2018 is ₹1,79,60,188/- (Previous year ₹1,79,60,188).

NOTES FORMING PART OF ACCOUNTS (Contd.)

G COMMITMENTS

Capital Commitments as at March 31, 2018 is ₹Nil. (Previous year ₹Nil).

16 REVENUE FROM OPERATIONS

Particulars	2017-18		2016-17	
	₹	₹	₹	₹
Operating revenue:				
Toll Collections	3,297,634,924		2,658,638,500	
		3,297,634,924		2,658,638,500
Other operating revenue:				
License fee from wayside amenities & others		5,893,037		3,445,165
		3,303,527,961		2,662,083,665

17 OTHER INCOME

Particulars	2017-18		2016-17	
	₹	₹	₹	₹
Interest income from:				
Bank deposits	175,192		901,277	
Holding Company	–		45,826,909	
Inter-corporate deposits	72,562,540		6,447,897	
Others	724,501		–	
		73,462,233		53,176,083
Net gain/ on financial assets designated at FVTPL		–		11,966,121
Profit/(loss) on disposal of Property,Plant and Equipment		1,907,711		270,790
Short Term capital Gain		173,034,215		29,366,250
Insurance claims		1,009,969		621,108
Other income		19,281,865		1,925,415
		268,695,993		97,325,767

18 OPERATING EXPENSES

Particulars	2017-18		2016-17	
	₹	₹	₹	₹
Concession fee		1		1
Toll Management fees		65,008,769		24,451,300
Security services		12,403,506		7,856,390
Insurance		7,084,696		7,425,589
Repairs and maintenance				
Toll road & bridge	135,992,737		92,717,372	
Plant and machinery	12,186,444		16,532,644	
Periodic major maintenance	255,600,000		174,577,608	
Others	2,939,475		7,279,082	
		406,718,656		291,106,706
Professional fees		5,792,261		7,696,581
Power and fuel		22,614,022		20,888,062
		519,621,911		359,424,629

NOTES FORMING PART OF ACCOUNTS (Contd.)

19 EMPLOYEE BENEFIT EXPENSES

Particulars	2017-18		2016-17	
	₹	₹	₹	₹
Salaries, wages and bonus		**14,804,643**		*7,804,258*
Contributions to and provisions for:				
Provident and pension funds (Refer Note H 2)	**755,562**		*665,310*	
Gratuity fund (Refer note H 2)	**273,727**		*389,624*	
Compensated absences	**1,079,367**		*1,220,105*	
Retention pay	**–**		*9,511*	
		2,108,656		*2,284,550*
Staff welfare expenses		**1,659,666**		*1,722,558*
		18,572,965		*11,811,366*

20 FINANCE COSTS

Particulars	2017-18		2016-17	
	₹	₹	₹	₹
Interest on borrowings		**952,331,808**		*895,560,845*
Other borrowing cost		**17,289,159**		*32,177,359*
Unwinding of discount and implicit interest expense on fair value		**109,788,988**		*48,337,963*
		1,079,409,955		*976,076,167*

21 ADMINISTRATION AND OTHER EXPENSES

Particulars	2017-18		2016-17	
	₹	₹	₹	₹
Rent, Rates and taxes		**338,849**		*1,237,020*
Professional fees		**30,505,982**		*28,733,476*
Payment to Auditor		**1,282,133**		*1,028,005*
Director's Sitting Fees		**367,460**		*534,300*
Postage and communication		**860,716**		*503,743*
Net loss on financial assets designated at FVTPL		**12,509,134**		-
Printing and stationery		**1,580,220**		*1,080,199*
Travelling and conveyance		**6,041,944**		*2,812,729*
Corporate social responsibility		**1,014,652**		-
Repairs and maintenance - others		**1,764,341**		*2,221,745*
Miscellaneous expenses		**1,243,152**		*2,474,063*
		57,508,583		*40,625,280*

(a) Auditors remuneration (including service tax) as follows:

Particulars	2017-18	2016-17
	₹	₹
a) As auditor	**598,110**	*523,710*
b) For taxation matters	**118,000**	*143,798*
c) For other services	**566,023**	*360,497*
Total	**1,282,133**	*1,028,005*

Note:- Payment to Auditors includes ₹1,30,830/- paid to previous auditor.

NOTES FORMING PART OF ACCOUNTS (Contd.)

Components of Other Comprehensive Income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended 31 March 2018

Particulars	**Retained earnings** ₹	**Other reserves (specify nature)** ₹	**Total** ₹
Remeasurement gains/(losses) on defined benefit plans			
Reclassified to Statement of profit and loss	(923,917)	–	(923,917)
	(923,917)	**–**	**(923,917)**

H)

1) CORPORATE INFORMATION

Vadodara Bharuch Tollway Limited is a Special Purpose Vehicle (SPV) incorporated on 23rd December 2005 for the purpose of widening of existing four-lane eighty three kilometers Road stretch from KM 108.7000 to 192.000 of National Highway No.8 in the State of Gujarat and operation and maintenance thereof, under the Concession Agreement dated 12 July, 2006 with National Highway Authority of India. The Concession Agreement is for a period 15 years from 8th January 2007, being the Commencement Date stated in clause 1.1 of the said agreement. Commercial Date of Operation started on 3rd June 2009. At the end of Concession period (i.e 7th January 2022), the entire facility will be transferred to NHAI.

2) DISCLOSURE PURSUANT TO IND AS 19 "EMPLOYEE BENEFITS":

(i) Defined contribution plan:

The Company's provident fund and super annuation fund are the defined contribution plans. The Company is required to contribute a specified percentage of payroll costs to the recognised provident fund and Life Insurance Corporation of India respectively to fund the benefits. The only obligation of the Company with respect to these plans is to make the specified contributions.

An amount of ₹7,55,562/- (previous year: ₹6,65,310/-) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense (Note 18) in the Statement of Profit and loss.

(ii) Defined benefit plans:

a) Features of its defined benefit plans:

Gratuity:

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Plan Features

Features of the defined benefit plan	**Remarks**
Benefit offered	15 / 26 × Salary × Duration of Service
Salary definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹20,00,000 was not applied
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	58 years

Leave Encashment:

Features of the defined benefit plan	**Remarks**
Salary for Encashment	Basic Salary
Salary for Availment	Cost to company
Benefit event	Death or Resignation or Retirement or Availment
Maximum accumulation	300
Benefit Formula	(Leave Days) × (Salary)/ (Leave Denominator)
Leave Denominator	30
Leaves Credited Annually	30
Retirement Age	58 Years

NOTES FORMING PART OF ACCOUNTS (Contd.)

iii) The company is responsible for governance of the plan.

iv) Risk to the Plan

Following are the risk to which the plan exposes the entity :

A Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

D Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

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

Particulars	**Gratuity plan**		**Compensated absences**	
	As at 31.03.2018 ₹	*As at 31.03.2017* ₹	**As at 31.03.2018** ₹	*As at 31.03.2017* ₹
A) Present value of defined benefit obligation				
- Wholly funded	**2,836,065**	*1,972,083*	**2,904,954**	–
- Wholly unfunded	**–**	–	**–**	*2,051,542*
	2,836,065	*1,972,083*	**2,904,954**	*2,051,542*
Less : Fair value of plan assets	**1,483,093**	*1,490,720*	**2,331,577**	–
Net Liability / (asset)	**1,352,972**	*481,363*	**573,377**	*2,051,542*

NOTES FORMING PART OF ACCOUNTS (Contd.)

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

Particulars	Gratuity plan		Compensated absences	
	As at 31.03.2018	*As at 31.03.2017*	**As at 31.03.2018**	*As at 31.03.2017*
	₹	₹	₹	₹
1 Current service cost	**248,922**	*232,904*	**185,310**	*196,201*
2 Past service cost and loss/(gain) on curtailments and settlement	**–**	–	**–**	*(315,626)*
3 Net Interest Cost	**24,805**	*78,375*	**63,205**	*146,188*
4 Net value of remeasurements on the obligation and plan assets	**–**	–	**576,605**	*143,963*
5 Adjustment for earlier years	**–**	–	**–**	–
Total Charge to Statement of Profit and Loss	**273,727**	*311,279*	**825,120**	*170,726*

d) Other Comprehensive Income for the period

Particulars	Gratuity plan		Compensated absences	
	As at 31.03.2018	*As at 31.03.2017*	**As at 31.03.2018**	*As at 31.03.2017*
	₹	₹	₹	₹
Components of actuarial gain/losses on obligations:				
Due to changes in demographic assumptions	**–**	–	**–**	–
Due to changes in financial assumptions	**(72,852)**	*117,196*	**(74,131)**	*120,457*
Due to experience adjustments	**983,472**	*(153,671)*	**627,783**	*23,506*
Return on plan assets excluding amounts included in interest income	**13,297**	*22,959*	**22,953**	–
Amounts recognized in Other Comprehensive Income	**923,917**	*(13,516)*	**576,605**	*143,963*

e) Reconciliation of Defined Benefit Obligation:

Particulars	Gratuity plan		Compensated absences	
	As at 31.03.2018	*As at 31.03.2017*	**As at 31.03.2018**	*As at 31.03.2017*
	₹	₹	₹	₹
Opening balance of the present value of defined benefit obligation	**1,972,083**	*1,736,321*	**2,051,542**	*1,980,761*
Add: Current service cost	**248,922**	*232,904*	**185,310**	*196,201*
Add: Interest cost	**131,236**	*129,027*	**133,502**	*146,188*
Add/(less): Actuarial losses/(gains)	**910,620**	*(36,475)*	**553,652**	*143,963*
Less: Benefits paid	**426,796**	*89,694*	**19,052**	*99,945*
Add: Past service cost	**–**	–	**–**	*(315,626)*
Add: Prior year Change	**–**	–	**–**	–
Closing balance of the present value of defined benefit obligation	**2,836,065**	*1,972,083*	**2,904,954**	*2,051,542*

NOTES FORMING PART OF ACCOUNTS (Contd.)

f) Reconciliation of Plan Assets:

Particulars	Gratuity plan		Compensated absences	
	As at 31.03.2018	*As at 31.03.2017*	**As at 31.03.2018**	*As at 31.03.2017*
	₹	₹	₹	₹
Opening value of plan assets	**1,490,720**	–	**–**	–
Interest Income	**106,431**	*50,652*	**70,297**	–
Return on plan assets excluding amounts included in interest income	**(13,297)**	*(22,959)*	**(22,953)**	–
Contributions by employer	**326,035**	*1,463,027*	**2,284,233**	–
Benefits Paid	**(426,796)**	–	**–**	–
Closing value of plan assets	**1,483,093**	*1,490,720*	**2,331,577**	–

g) Reconciliation of Net Defined Benefit Liability:

Particulars	Gratuity plan		Compensated absences	
	As at 31.03.2018	*As at 31.03.2017*	**As at 31.03.2018**	*As at 31.03.2017*
	₹	₹	₹	₹
Net opening provision in books of accounts	**481,363**	*1,736,321*	**2,051,542**	*1,980,761*
Employee Benefit Expense	**273,727**	*389,624*	**825,120**	*427,732*
Amounts recognized in Other Comprehensive Income	**923,917**	*(91,861)*	**–**	–
	1,679,007	*2,034,084*	**2,876,662**	*2,408,493*
Benefits paid by the Company	**–**	*(89,694)*	**(19,052)**	*(356,951)*
Contributions to plan assets	**(326,035)**	*(1,463,027)*	**(2,284,233)**	–
Closing provision in books of accounts	**1,352,972**	*481,363*	**573,377**	*2,051,542*

h) Principal actuarial assumptions at the Balance Sheet date:

Particulars	**As at 31.03.2018**	*As at 31.03.2017*
	₹	₹
1) Discount rate	**7.30%**	*6.95%*
2) Salary growth rate	**6.00%**	*6.00%*
3) Withdrawal rate	**15% at younger ages reducing to 3% at older age**	*15% at younger ages reducing to 3% at older age*

i) A quantitative sensitivity analysis for significant assumption as at 31 March 2018

Particulars	**Change in Assumptions**	**Gratuity plan**		**Compensated absences**	
	Increase/(Decrease)	**Impact on Defined Benefit Obligation**		**Impact on Defined Benefit Obligation**	
		Increase/(Decrease) in Assumptions		Increase/(Decrease) in Assumptions	
	%	₹	%	₹	%
Discount Rate	0.50%	2,737,291	-3.48%	2,804,491	-3.46%
	-0.50%	2,941,125	3.70%	3,011,868	3.68%
Salary Growth Rate	0.50%	2,941,939	3.73%	3,012,696	3.71%
	-0.50%	2,735,662	-3.54%	2,802,831	-3.52%

NOTES FORMING PART OF ACCOUNTS (Contd.)

j) The major categories of plan assets plan assets are as follows :

Particulars	**As at 31.03.2018** ₹	*As at 31.03.2017* ₹
Insurer managed funds	**100%**	*100%*
Investments quoted in active markets	**-**	-
Cash and cash equivalents	**-**	-
Unquoted investments	**-**	-
Total	**100%**	*100%*

k) Details of Asset-Liability Matching Strategy

There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan. The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds. The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds. as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

3) DISCLOSURE PURSUANT TO IND AS 23 "BORROWING COSTS"

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

4) DISCLOSURE OF SEGMENT INFORMATION PURSUANT TO IND AS 108 "OPERATING SEGMENTS"

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 of operating segments does not arise. The Company does not have operations outside India. Hence, disclosure of geographical segment information does not arise.

5) DISCLOSURE OF RELATED PARTIES / RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24 "RELATED PARTY DISCLOSURES"

a) List of related parties

Ultimate Holding Company :	Larsen & Toubro Limited
Holding Company :	L&T Infrastructure Development Projects Limited
Fellow Subsidiaries :	L&T Halol Shamlaji Tollway Limited
	L&T Inter state Road Corridor Limited
	L&T Rajkot-Vadinar Tollway Limited
	L&T Samakhiali Gandidham Tollway Limited
	Panipat Eleveted Corridor Limited
	PNG Tollway Limited
	Ahmedabad-Maliya Tollway Limited
	L&T BPP Tollway Limited
	L&T Sambalpur Rourkela Tollway Limited
	L & T Western India Tollbridge Limited
	L&T Transportation Infrastructure Limited
	L&T General Insurance Company Limited
Key Managerial Personnel :	Manager Mr.Rajesh Tilokan
	CFO- Mr.Gobinda Chandra Das
Key Managerial Personnel of Ultimate Holding Company:	Manager - Mr. K.Venkatesh
	CFO- Mr.Karthikeyan T.V

NOTES FORMING PART OF ACCOUNTS (Contd.)

b) Disclosure of related party transactions:

Particulars		**2017-18** ₹	*2016-17* ₹
Nature of transaction			
1	**Purchase of goods and services incl. taxes**		
	Ultimate Holding company Larsen & Toubro Limited	**10,759,492**	*7,711,638*
	Holding company L&T Infrastructure Development Projects Limited	**59,057,591**	*49,480,006*
	Fellow subsidiary :		
	L&T General Insurance Company Limited	**–**	*7,308,209*
2	**Purchase of assets**		
	Fellow subsidiary :		
	L&T Interstate Road Corridor Limited	**161,090**	–
	L&T Samakhiali Gandidham Tollway Limited	**698,365**	–
	PNG Tollway Limited	**–**	*85,205*
3	**ICD / Mezzanine Debt / Unsecured Loan received**		
	Holding company L&T Infrastructure Development Projects Limited	**–**	*1,045,000,000*
	Fellow subsidiary :		
	Ahmedabad-Maliya Tollway Limited	**100,000,000**	–
	Panipat Eleveted Corridor Limited	**185,000,000**	–
	L&T Sambalpur Rourkela Tollway Limited	**7,000,000**	–
4	**ICD / Mezzanine Debt / Unsecured Loan given**		
	Fellow subsidiary :		
	L&T Sambalpur Rourkela Tollway Limited	**7,000,000**	–
	Panipat Elevated Corridor Limited	**185,000,000**	–
	L&T Samakhiali Gandhidham Tollway Limited	**62,000,000**	*88,500,000*
	Ahmedabad-Maliya Tollway Limited	**270,000,000**	*103,000,000*
	L&T Rajkot Vadinar Tollway Limited	**250,600,000**	*103,500,000*
	L&T BPP Tollway Limited	**130,000,000**	–
5	**Reimbursement of expenses charged by**		
	Fellow subsidiary :		
	Ahmedabad-Maliya Tollway Limited	**–**	*219,640*
6	**Reimbursement of expenses charged to**		
	Holding company L&T Infrastructure Development Projects Limited	**547,565**	*678,599*
	Fellow subsidiary :		
	Ahmedabad-Maliya Tollway Limited	**13,000**	*75,000*
	L&T Rajkot Vadinar Tollway Limited	**987,793**	*66,000*
	L&T Samakhiali Gandhidham Tollway Limited	**–**	*31,000*
	Panipat Elevated Corridor Limited	**–**	*30,000*
	L&T Halol Shamlaji Tollway Limited	**–**	*55,000*
	L&T Inter state Road Corridor Limited	**4,607,520**	*12,000*
	L&T BPP Tollway Limited	**–**	*86,000*
	L&T Western India Tollbridge Limited	**4,661,378**	*3,909,557*
7	**Refundable deposit received for Director's Nomination**		
	Holding company L&T Infrastructure Development Projects Limited	**–**	*300,000*
8	**Commercial paper given**		
	Holding company L&T Infrastructure Development Projects Limited	**–**	*483,674,500*

NOTES FORMING PART OF ACCOUNTS (Contd.)

	Particulars	2017-18 ₹	2016-17 ₹
9	**Commercial paper repaid**		
	Holding company L&T Infrastructure Development Projects Limited	–	*483,674,500*
10	**Interest received on Commercial paper**		
	Holding company L&T Infrastructure Development Projects Limited	–	*16,325,500*
11	**Interest received on ICD / Mezzanine Debt / Unsecured Loan**	–	*29,501,412*

c) **Amount due to and due from related parties(net):**

Particulars	Amounts due (to)/from 2017-18 ₹	2016-17 ₹
Ultimate Holding Company		
Larsen & Toubro Limited	**(20,188,577)**	*(15,239,419)*
Holding Company		
L&T Infrastructure Development Projects Limited	**(3,053,509)**	*(2,768,453)*
Fellow Subsidiary		
Ahmedabad Maliya Tollway Limited	**270,000,000**	*95,588,972*
L&T Samakhiali Gandhidham Tollway Limited	**150,500,000**	*83,100,705*
L&T Rajkot Vadinar Tollway Limited	**354,100,000**	*95,030,606*
L&T BPP Tollway Limited	**130,000,000**	–

d) **Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2018, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2018). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

e) There is no provision for bad and doubtful debts to related parties with regard to outstanding expenses and there is no expense recognized in respect of bad and doubtful debts due from related parties.

f) **Compensation of Key Management personnel of the group**

Particulars	2017-18 ₹	2016-17 ₹
Short term employee benefits	**1,925,200**	*1,849,222*
Post employment gratuity and medical benefits	**32,439**	–
Other long term benefits	–	*9,511*
Termination benefits	**NA**	*NA*
Share based payment transactions	**NA**	*NA*

NOTES FORMING PART OF ACCOUNTS (Contd.)

6) DISCLOSURE PURSUANT TO IND AS 12 "INCOME TAXES"

The major components of income tax expense for years ended 31 March 2018 and 31 March 2017 are:

Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹
Profit and loss section:		
Current tax :		
Current income tax charge	**156,413,655**	*45,932,881*
Effect of prior period adjustments	**4,017,437**	–
Deferred tax :		
Relating to origination and reversal of temporary differences	–	–
Effect on deferred tax balances due to change in income tax rate	–	–
Effect of previously unrecognised tax losses and tax offsets used during the current year to reduce deferred tax expense	–	–
Income tax reported in the statement of profit and loss	**160,431,092**	*45,932,881*
Current Tax & Deferred Tax - Equity		
Deferred Tax on Transition Adjustments		
	160,431,092	*39,958,168*

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2017:

Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹
Accounting profit before tax from continuing operations	**721,919,339**	*223,065,751*
Profit/Loss from discontinued operations	–	–
Accounting Profit before income tax		
At India's Statutory income tax rate of 34.608% (31 March 2017 - 34.608%)	**249,841,845**	*77,198,595*
Change in profits on account of translational differences	–	–
Deductions under Chapter VIA	**(491,387,739)**	*(241,236,149)*
Non deductible expenses for tax purposes	**100,974,910**	*19,634,703*
Impairment of goodwill	–	–
Other non deductible expenses	**301,002,076**	*190,335,732*
Tax as per Statement of Profit and Loss	**160,431,092**	*45,932,881*
Income tax expense reported in the statement of profit and loss	**160,431,092**	*45,932,881*
Income tax attributable to discontinued operations	–	–
	160,431,092	*45,932,881*

7) DISCLOSURE PURSUANT TO IND AS 33 "EARNINGS PER SHARE"

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 "Earnings per share".

Particulars		2017-18 ₹	2016-17 ₹
Basic earnings per equity share:			
Profit for the year attributable to owners of the Company for calculating basic earnings per share (₹)	A	**561,488,247**	*177,132,870*
Weighted average number of equity shares outstanding for calculating basic earnings per share	B	**43,500,000**	*43,500,000*
Basic earnings per equity share (₹)	A / B	**12.91**	*4.07*

NOTES FORMING PART OF ACCOUNTS (Contd.)

Particulars		2017-18 ₹	2016-17 ₹
Diluted earnings per equity share:			
Profit for the year attributable to owners of the Company for calculating basic earnings per share (₹)	A	**561,488,247**	*177,132,870*
Add : Interest on convertibles (net of tax)	B		
Profit for the year attributable to owners of the Company for the calculating of diluted earnings per share (₹)	C = A+B	**561,488,247**	*177,132,870*
Weighted average number of equity shares outstanding for calculating basic earnings per share	D	**43,500,000**	*43,500,000*
Add : Shares deemed to be issued for no consideration in respect of :	E	**–**	–
Compulsorily convertible preference share capital	F	**–**	–
Compulsorily convertible debentures	G	**–**	–
Weighted average number of equity shares outstanding for calculating diluted earnings per share	H = D + E	**43,500,000**	*43,500,000*
Diluted earnings per equity share (₹)		**12.91**	*4.07*
Face value per equity share (₹)		**10.00**	*10.00*

8) DISCLOSURE PURSUANT TO IND AS 36 "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.

9) DISCLOSURES AS PER IND AS 37 - "PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS "

a Nature of provision:

The company is required to operate and maintain the project highway during the entire concession period and hand over the project back to the Authority (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. Normally periodic maintenance includes resurface of pavements, repairs of structures and other equipments and maintenance of service roads.

As per Concession agreement with NHAI the periodic maintenance is expected to occur after every 5 years . The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of prudence, based on estimates, a provision for major maintenance expenses is provided for in the books annually.

b) Movement in provisions:

Particulars	As at 31.03.2018 ₹	*As at 31.03.2017* ₹
Opening balance	**571,854,828**	*368,867,515*
Additional provision	**255,600,000**	*294,493,404*
Utilised	**15,848,758**	-
Unused amounts reversed	**–**	-
Unwinding of discount and changes in discount rate	**59,462,046**	*(91,506,091)*
Closing balance	**871,068,116**	*571,854,828*

c) Contingent liabilities :

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

10) DISCLOSURE PURSUANT TO IND AS 19 - " LEASES"

Future minimum rentals for non-cancellable leases as on 31st March 2018 is as follows :

Particulars	As at 31.03.2018 ₹	*As at 31.03.2017* ₹
Within one year	**–**	-
After one year but not more than five years	**–**	-
More than five years	**–**	-
Total	**–**	-

NOTES FORMING PART OF ACCOUNTS (Contd.)

11) CHANGES IN ACCOUNTING ESTIMATE

Based on Joint Inspection by the Company and NHAI, company has accepted to carry out Major Maintenance in FY 2018-19 instead of earlier estimation of FY 2019-20.

12) Balances of Sundry Creditors, Sundry debtors, Loans & advances, etc. are subject to confirmation and reconciliation, if any.

13) CSR EXPENDITURE:

Details of CSR expenditure is as below:

Particulars	**2017-18** ₹
a) Gross amount required to be spent by the company during the year	**2,150,353**
b) Amount spent during the year ending on 31st March, 2018:	
i) Construction/acquisition of any asset	**1,014,652**
ii) On purposes other than (i) above	**–**

14) FINANCIAL INSTRUMENTS

Disclosure of Financial Instruments by Category

Financial instruments by categories	**Note no.**	**March 31, 2018**			*March 31, 2017*		
		FVTPL	**FVTOCI**	**Amortized cost**	*FVTPL*	*FVTOCI*	*Amortized cost*
		₹	₹	₹	₹	₹	₹
Financial asset							
Security Deposits	3	**–**	**–**	**2,760,170**	–	–	*2,761,801*
Loans to Related Parties	3	**–**	**–**	**907,600,000**	–	–	*273,720,283*
Investments	5	**3,200,797,724**	**–**	**–**	*1,879,164,797*	–	–
Trade receivables	6	**–**	**–**	**2,046,221**	–	–	–
Cash and cash equivalents	7	**–**	**–**	**91,135,846**	–	–	*43,637,631*
Total Financial Asset		**3,200,797,724**	**–**	**1,003,542,237**	*1,879,164,797*	–	*320,119,715*
Financial liability							
Term Loan from Banks	10	**–**	**–**	**139,364,614**	–	–	*273,263,072*
Debentures	10	**–**	**–**	**7,864,093,686**	–	–	*9,297,007,730*
Interest Accrued on NCDs	11	**–**	**–**	**201,009,051**	–	–	*198,828,360*
Deposit Received	11	**–**	**–**	**1,471,380**	–	–	*1,471,380*
Current Maturities of Long Term borrowings	11	**–**	**–**	**1,579,551,865**	–	–	*60,000,000*
Trade Payables	14	**–**	**–**	**33,241,050**	–	–	*29,820,165*
Total Financial Liabilities		**–**	**–**	**9,818,731,646**	–	–	*9,860,390,707*

Default and breaches

There are no defaults with respect to payment of principal interest, sinking fund or redemption terms and no breaches of the terms and conditions of the loan.

There are no breaches during the year which permitted lender to demand accelerated payment.

NOTES FORMING PART OF ACCOUNTS (Contd.)

15) FAIR VALUE OF FINANCIAL ASSET AND LIABILTIES AT AMORTIZED COST

Particulars	Note	As at 31.03.2018		*As at 31.03.2017*	
		Carrying amount	Fair value	*Carrying amount*	*Fair value*
		₹	₹	₹	₹
Financial Assets					
Security Deposits	3	2,760,170	2,760,170	*2,761,801*	*2,761,801*
Loans to Related Parties	4	907,600,000	907,600,000	*273,720,283*	*273,720,283*
Trade receivables	6	2,046,221	2,046,221		
Cash and cash equivalents	7	91,135,846	91,135,846	43,637,631	43,637,631
Total Financial Assets		1,003,542,237	1,003,542,237	*320,119,715*	*320,119,715*
Financial liability					
Term Loan from Banks	10	139,364,614	139,364,614	*273,263,072*	*273,263,072*
Debentures	10	7,864,093,686	7,864,093,686	*9,297,007,730*	*9,297,007,730*
Interest Accrued on NCDs	11	201,009,051	201,009,051	*198,828,360*	*198,828,360*
Deposit Received	11	1,471,380	1,471,380	*1,471,380*	*1,471,380*
Current Maturities of Long Term borrowings	11	1,579,551,865	1,579,551,865	*60,000,000*	*60,000,000*
Trade Payables	14	33,241,050	33,241,050	*29,820,165*	*29,820,165*
Total Financial Liabilities		9,818,731,646	9,818,731,646	*9,860,390,707*	*9,860,390,707*

The carrying amount of current financial assets and current trade and other payables measured at amortised cost are considered to be the same as their fair values, due to their short term nature.

The carrying amount of Security Deposit measured at amortized cost is considered to be the same as its fair value due to its insignificant value.

The carrying value of Rupee Term Loan and Loan from Related Party approximate fair value as the instruments are at prevailing market rate.

16) FAIR VALUE MEASUREMENT

Fair Value Measurement of Financial asset and Financial liabilities

Fair value hierarchy

As at March 31, 2018

Financial Asset & Liabilites Measured at FV - Recurring FVM	Note No.	Level 1 ₹	Level 2 ₹	Level 3 ₹	Total ₹
Financial asset measured at FVTPL					
Investments in Mutual Funds	5	3,200,797,724	–	–	3,200,797,724
Total of Financial Assets		3,200,797,724	–	–	3,200,797,724
Financial Liabilities measured at FVTPL		–	–	–	–
Total of Financial Liabilities		–	–	–	–

Financial Asset & Liabilites Measured at Amortized cost for which fair values are to be disclosed	Note No.	Level 1 ₹	Level 2 ₹	Level 3 ₹	Total ₹
Financial Assets					
Security Deposits	5	–	–	–	–
Loans to Related Parties	5		–		–
Total of Financial Assets		–	–	–	–
Financial Liabilities					
Term Loan from Banks	10	–	278,916,479	–	278,916,479
Debentures	10	–	7,864,093,686	–	7,864,093,686
Total Financial liabilities		–	8,143,010,165	–	8,143,010,165

NOTES FORMING PART OF ACCOUNTS (Contd.)

As at March 31, 2017

Financial Asset & Liabilites Measured at FV - Recurring FVM	Note No.	*Level 1* ₹	*Level 2* ₹	*Level 3* ₹	*Total* ₹
Financial asset measured at FVTPL					
Investments in Mutual Funds	5	*1,879,164,797*	–	–	*1,879,164,797*
Total of Financial Assets		*1,879,164,797*	–	–	*1,879,164,797*
Financial Liabilitieis measured at FVTPL		–	–	–	–
Total of Financial Liabilities		–	–	–	–

Financial Asset & Liabilites Measured at Amortized cost for which fair values are to be disclosed	Note No.	*Level 1* ₹	*Level 2* ₹	*Level 3* ₹	*Total* ₹
Financial Assets					
Security Deposits	5	–	–	–	–
Total of Financial Assets		–	–	–	–
Financial Liabilities					
Term Loan from Banks	10	–	*333,263,072*	–	*333,263,072*
Debentures	10	–	*9,297,007,730*	–	*9,297,007,730*
Total Financial liabilities		–	*9,630,270,802*	–	*9,630,270,802*

There are no transfer between level 1 and level 2 during the year.

The company policy is to recognise transfers into and transfer out of fair values hierarchy levels as at the end of the reporting period.

Valuation technique and inputs used to determine fair value

Financial assets and liabilities	Valuation method	Inputs
Financial assets		
Investment in Mutual Funds	Market Approach	NAV
Security deposit	Income	Cash flow
Financial liabilities		
Term Loan from Banks	Income	Current Bank Rate
Loans from Related parties	Income	Current Bank Rate

17) ASSET PLEDGED AS SECURITY

Particulars	Note No.	As at 31.03.2018 ₹	*As at 31.03.2017* ₹
Non Current Financial Asset			
Property, Plant & Equipment	1	**6,864,961**	*8,592,057*
Intangible asset	2	**4,339,215,416**	*5,511,207,825*
Other Financial Asset	3	**910,360,170**	*276,482,084*
Financial Asset			
Cash and Cash Equivalents	7	**91,135,846**	*43,637,631*
Investments In Mutual Fund	5	**3,200,797,724**	*1,879,164,797*
Trade receivable	6	**2,046,221**	–
Other Financial Asset	4	**137,115,048**	*111,952,035*
TOTAL		**8,687,535,386**	*7,831,036,429*

NOTES FORMING PART OF ACCOUNTS (Contd.)

18) FINANCIAL RISK MANAGEMENT

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The company is not exposed to foreign currency risk as it has no borrowing in foreign currency.

ii Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Interest risk arises to the company mainly from Long term borrowings with variable rates. The company measures risk through sensitivity analysis.

Currently, Lending by Commercial Banks is at variable rate only, which is the inherent business risk.

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

Particulars	**As at 31.03.2018**	*As at 31.03.2017*
	₹	₹
Senior Debt from Banks - Variable rate borrowings	**278,916,479**	*333,263,072*

Sensitivity analysis based on average outstanding Senior Debt

	Impact on profit/ loss after tax	
Interest Rate Risk Analysis	**FY 2017-18**	*FY 2016-17*
	₹	₹
Increase or decrease in interest rate by 25 base point	**765,224**	*12,507,031*

Note: Profit will increase in case of decrease in interest rate and vice versa

iii Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The company measures risk through sensitivity analysis.

The company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The company's exposure to price risk due to investments in mutual fund is as follows:

Particulars	**Note No.**	**31.03.2018**	*31.03.2017*
		₹	₹
Investments in Mutual Funds	**6**	**3,200,797,724**	*1,879,164,797*

Sensitivity analysis

	Impact on profit/ loss after tax	
	31.03.2018	*31.03.2017*
	₹	₹
Increase or decrease in NAV by 2%	**64,015,954**	*37,583,296*

Note - In case of decrease in NAV profit will reduce and vice versa.

NOTES FORMING PART OF ACCOUNTS (Contd.)

iv Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company is exposed to liquidity risk due to bank borrowings and trade and other payables.

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following are the contractual maturities of financial liabilities

As at March 31, 2018	**Carrying Amount**	**upto 1 year**	**1 - 2 years**	**2 - 5 years**	**> 5 years**
Non Derivative Financial Liability					
Senior Debt from Banks	**278,916,479**	**139,551,865**	**60,000,000**	**79,364,614**	**–**
Trade Payables	**33,241,050**	**33,241,050**	**–**	**–**	**–**
Derivative Financial Liability	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**

As at March 31, 2017	*Carrying Amount*	*upto 1 year*	*1 - 2 years*	*2 - 5 years*	*> 5 years*
Non Derivative Financial Liability					
Senior Debt from Banks	*333,263,072*	*60,000,000*	*139,551,865*	*60,000,000*	*73,711,207*
Trade Payables	*29,820,165*	*29,820,165*	–	–	–
Derivative Financial Liability	*NIL*	*NIL*	*NIL*	*NIL*	*NIL*

v Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The company generally does not have trade receivables as collection of toll income coincide as and when the traffic passes through toll - plazas. . Hence, the management believes that the company is not exposed to any credit risk.

19 DISCLOSURE PURSUANT TO APPENDINX - A TO IND AS 11 - " SERVICE CONCESSION ARRANGEMENTS"

i Description and classification of the arrangement:

Vadodara Bharuch Tollway Limited is a Special Purpose Vehicle (SPV) incorporated on 23rd December 2005 for the purpose of widening of existing four-lane eighty three kilometers Road stretch from KM 108.7000 to 192.000 of National Highway No.8 in the State of Gujarat and operation and maintenance thereof, under the Concession Agreement dated 12 July, 2006 with National Highway Authority of India. The Concession Agreement is for a period 15 years from 8th January 2007, being the Commencement Date stated in clause 1.1 of the said agreement. Commercial Date of Operation started on 3rd June 2009. At the end of Concession period (i.e 7th January 2022), the entire facility will be transferred to NHAI.

ii Significant Terms of the arrangements

(a) Revision of Fees:

Fees shall be revised annually on July 01 as per Schedule G of the Concession Agreement dated July 12, 2006.

(b) Concession Fee

As per Article 7 of the Concession Agreement, the company is liable to pay Concession Fee ₹1 every year.

iii Rights of the Company for use Project Highway

a To demand, collect and appropriate, Fee from vehicles and person liable for payment of Fee for using the Project Highway or any part thereof and refuse entry of any vehicle if the Fee due is not paid.

b Right of Way, access and licence to the Site.

iv Obligation of the Company

a The comapny shall not assign, transfer or sublet or create any lien or Encumbrance on the CA or the Concession granted or on the whole or any part of the Project Highway nor transfer, lease or part possession thereof, save and except as expressly permitted by CA or the Substitution Agreement.

b The company is under obligation to carry out the routine and periodic maitenance of Project Highway as per Schedule L of the CA.

NOTES FORMING PART OF ACCOUNTS (Contd.)

v Details of any assets to be given or taken at the end of concession period

At the end of the Concession period the company shall deliver the actual or constructive possession of the Project Highway, free and clear of all encumbrances.

vi Details of Termination

CA can be terminated on account of default of the company or NHAI in the circumstances as specified under article 32 of the CA.

20) CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium, Other equity in form of Subordinate Debt and all other reserves attributable to the equity holders of the Company.

The Company's objective for capital management is to maximize shareholder value and safeguard business continuity.

The Company determines the capital requirement based on annual operating plans and other strategic plans. The funding requirements are met through equity and operating cash flows generated.

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Equity	**435,000,000**	*435,000,000*
Other Equity	**(2,494,517,891)**	*(3,049,107,508)*
Total	**(2,059,517,891)**	*(2,614,107,508)*

I. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1) Basis of preparation

(a) Compliance with IndAS

The Company's financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015] and Companies (Indian Accounting Standards) Amendmend Rules, 2016.

The financial statements upto to the year ended 31 March 2016 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 as amended and other relevant provisions of the Act. Previous period numbers in the financial statements have been restated to Ind AS.

These financial statements are the first financial statements of the Company under IndAS. Refer Note 12 for an explanation on how the transition from previous GAAP to IndAS has affected the Company's financial position, financial performance and cash flows.

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items which are measured at fair values:

- Certain financial assets and liabilities
- Net defined benefit (asset) / liability

(c) Use of estimates and judgements

The preparation of these financial statements in conformity with IndAS requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize. Estimates include the useful lives of property plant and equipment and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, provisions for resurfacing obligations, fair value measurement etc. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(d) Measurement of fair values

The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

NOTES FORMING PART OF ACCOUNTS (Contd.)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived prices)

Level 3 – inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

2) Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". 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 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

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.

3) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of duties and taxes and net of discounts, rebates and other similar allowances.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that the future economic benefits would flow to the entity and specific criteria have been met for each of the activities described below. The Company bases its estimates on historical results, taking into consideration the type of customer, type of transaction and specifics of the arrangement.

a) Toll collection from users of the infrastructure facility constructed by the Company under the Service Concession Arrangement is recognised in the period of collection of toll / user fee which coincides with the usage of the infrastructure facility net of revenue share payable to NHAI / state authorities. Income from sale of smart cards is recognised on cash basis.

b) Interest income is recognised using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

c) Fair value gains on current investments carried at fair value are included in Other income.

d) Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

e) Other items of income are recognised as and when the right to receive arises.

4) 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 highly liquid investments being not free from more than insignificant risk of change are not included as part of cash and cash equivalents. Bank overdrafts which are part of the cash management process is included as part of cash and cash equivalents.

5) 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/(loss) is adjusted for the effects of:

(a) transactions of a non-cash nature;

(b) any deferrals or accruals of past or future operating cash receipts or payments and,

(c) all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. 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.

NOTES FORMING PART OF ACCOUNTS (Contd.)

6) **Property, plant and equipment (PPE)**

Freehold land is carried as historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and cumulative impairment. Historical cost includes expenditure that is directly attributable to acquisition of the items. Land acquired under long term lease is classified as “Property, Plant and equipment” and is depreciated over the period of lease.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Properties in the course for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes expenditure that is directly attributable and for qualifying assets, borrowing costs capitalised in accordance with the Company’s accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and assets under construction) less their residual values over their useful lives using the straight-line method. The estimated useful lives and residual values are reviewed at the end of each year, with the effect of any changes in estimate accounted for on a prospective basis.

In respect of Property, Plant and Equipment purchased during the year, depreciation is provided on a pro-rata basis from the date on which such asset is ready to use. Assets costing less than rupees five thousand each is fully depreciated in the year of purchase.

The residual value, useful live and method of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The estimated useful lives of the assets are as follows:

Category of Property, plant and equipment	**Estimated useful life (in years)**
Buildings including ownership flats	50
Plant and equipment:	
DG Sets	12
Air-conditioning and refrigeration equipment	12
Split AC and Window AC	4
Furniture and fixtures	10
Vehicles:	
Motor cars (other than those under the Company owned car scheme)	7
Motor cars (under the Company owned car scheme)	5
Motor cycles, scooters and other mopeds	10
Tractors and other vehicles	8
Office equipment:	
Multifunctional devices, printers, switches and projectors	4
Other office equipments	5
Computers:	
Servers and systems	6
Desktops, laptops, etc,	3
Wind power generating plant	20
Electrical installations	10

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement or profit and loss.

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) **Amortisation of intangible assets**

Toll collection rights in respect of road projects are amortized over the period of concession using the Straight Line amortisation method prescribed under Schedule II to the Companies Act, 2013.

NOTES FORMING PART OF ACCOUNTS (Contd.)

8) Intangible assets

a) Rights under Service Concession Arrangements

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.

Toll Projects (Right to charge users)

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") project undertaken by the Company. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs plus the present value of obligation towards negative grants and additional concession fee payable to National Highway Authority of India (NHAI), if any. Till the completion of the project, the same is recognised under intangible assets under development. The revenue from toll collection/ other income during the construction period is reduced from the carrying amount of intangible assets under development.

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

b) Other Intangible Assets

Specialized software is amortized over a period of three to six years on straight line basis from the month in which the addition is made.

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

9) Investments

Trade investments comprise investments in entities in which the Group has strategic business interest.

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

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the requirements of cost model.

10) Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical 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 recognised in the period in which the employee renders the related service.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

(ii) 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 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.

NOTES FORMING PART OF ACCOUNTS (Contd.)

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.

Remeasurement, comprising actuarial gains and losses, the return on plan assets (excluding net interest) and any change in the effect of asset ceiling (if applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is not reclassified to profit & loss.

The interest element in the actuarial valuation of defined benefit plans, which comprises the implicit interest cost and the impact of changes in discount rate, is classified under finance cost. The balance charge is recognised as employee benefit expenses in the Statement of Profit and Loss.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

(iii) Other long term employee benefits:

The obligation for other long term employee benefits such as long term compensated absences, liability on account of Retention Pay Scheme are recognised in the same manner as in the case of defined benefit plans as mentioned in (ii)(b) above.

(iv) Termination benefits

Termination benefits such as compensation under Voluntary Retirement cum Pension Scheme are recognised as expense and a liability is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

11) Borrowing costs

Borrowing costs include interest calculated using the effective interest method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for acquisition, construction or production of qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

12) Leases

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

Finance leases:

(a) Property, plant and equipment acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases 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.

(b) Property, plant and equipment given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

Operating leases:

(a) Property, plant and equipment acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

(b) Property, plant and equipment leased out under operating leases are continued to be capitalised by the Company. Rental income is recognised on a straight-line basis over the term of the relevant lease.

13) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The

NOTES FORMING PART OF ACCOUNTS (Contd.)

dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

14) Income taxes

The income tax expense or credit for the year is the tax payable on current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates, positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset when it is highly probable that future economic benefit associated with it will flow to the entity.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However deferred income tax is not accounted if it arises from the initial recognition of an asset or liability that at the time of the transaction affects neither the accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset/liability is realised or settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, losses and tax credit can be utilized, except when deferred tax asset on deductible temporary differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets and deferred tax liabilities are offset, when the entity has a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity wherein the related tax is also recognised in other comprehensive income or directly in equity.

15) Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the higher of the fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimated future cash flows have not been adjusted.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

16) Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognsied as an asset if it is virtually certain that the reimbursement will be received and the amount of the receivable can be measured reliably.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely

NOTES FORMING PART OF ACCOUNTS (Contd.)

rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only be occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. The company does not recognize a contingent asset but discloses its existence in the financial statements.

17) Foreign currency transactions and translations:

a) Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

b) Financial statements of overseas non-integral operations are translated as under :

i) Assets and liabilities at rate prevailing at the end of the year. Depreciation and amortisation is accounted at the same rate at which assets are converted.

ii) Revenues and expenses at yearly average rates prevailing during the year.

c) 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 :

i) adjusted in the cost of fixed assets specifically financed by the borrowings contracted, to which the exchange differences relate.

ii) recognised as income or expense in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs in a foreign currency not translated.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

d) Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Consolidated Statement of Profit and Loss.

e) Financial statements of foreign operations are translated into Indian Rupees as follows:

(i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(ii) income and expenses for each income statement are translated at average exchange rates; and

(iii) all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve (FCTR) and the same is subsequently reclassified to profit or loss on disposal of a foreign operation.

f) Exchange difference on long-term foreign currency monetary items: The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalized as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets.

g) Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortized over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

18) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

a) Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost.

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES FORMING PART OF ACCOUNTS (Contd.)

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset which is not classified in any of the above categories are measured at fair valued through profit or loss

Investments in equity instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in OCI for equity instruments which are not held for trading.

Interest, dividends, losses and gains relating to financial instruments or a component that is a financial liability shall be recognised as income or expenses in profit or loss. On disposal of debt instruments FVTOCI the cumulative gain or loss previously accumulated in other equity is reclassified to profit & loss. However in case of equity instruments at FVTOCI cumulative gain or loss is not reclassified to profit & loss on disposal of investments.

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when obligation specified in the contract is discharged or cancelled or expires.

Impairment of financial assets: The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivable and other contractual rights to receive cash or other financial asset and financial guarantees not designated as at FVTPL. For the purpose of measuring expected credit loss allowance for businesses other than financial services for trade receivables, the Company has used a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information as permitted under Ind AS 109. Impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the statement of profit and loss

b) Financial Liabilities

Financial liabilities are classified at initial recognition, as financial liabilities as fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings are subsequently measured at amortised costs using Effective Interest Rate method.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.

Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

19) Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable

NOTES FORMING PART OF ACCOUNTS (Contd.)

can be measured reliably and it is reasonable to expect ultimate collection.

20) Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

21) IND AS 115 is issued but not yet effective

22) Claims

Claims against the Company not acknowledged as debts are disclosed under contingent liabilities. Claims made by the company are recognised as and when the same is approved by the respective authorities with whom the claim is lodged.

23) 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.

As per our report of even date attached
T R Chadha & Co LLP
Chartered Accountants
Firm Registration No : 006711N / N500028
By the hand of

ARVIND MODI
Partner
Membership No.: 112929
Place : Ahmedabad
Date : April 23, 2018

For and on behalf of the Board of

GOBINDA CHANDRA DAS
Chief Financial Officer

MATHEW GEORGE
Director
DIN: 07402208

ESTHER MALINI
Director
DIN: 07124748

Place : Chennai
Date : April 23, 2018