BOARD'S REPORT (SECTION 134)

Dear Members,

The Directors have pleasure in presenting their report and Audited Accounts for the year ended March 31, 2019.

1. FINANCIAL RESULTS / FINANCIAL HIGHLIGHTS

₹ in crore

Particulars	***2018-19***	*2017-18*
Profit / (Loss) Before Depreciation, exceptional items & Tax	***24.86***	*17.78*
Less: Depreciation, amortization, impairment and obsolescence	***4.07***	*3.63*
Profit / (Loss) before exceptional items and tax	***20.79***	*14.15*
Add: Exceptional Items	**-**	-
Profit / (Loss) before tax	***20.79***	*14.15*
Less: Provision for tax	***6.97***	*1.42*
Profit for the period carried to the Balance Sheet	***13.82***	*12.73*
Add: Balance brought forward from previous year	***156.04***	*143.29*
Add: Gain/(Loss) on re-measurement of the net defined benefit plans	***0.03***	*0.02*
Balance to be carried forward	***169.89***	*156.04*

2. CAPITAL & FINANCE

The Company has not issued and allotted share capital during the year.

3. CAPITAL EXPENDITURE

As at March 31, 2019 the gross fixed and intangible assets including leased assets, stood at ₹ 94.16 crore and the net fixed and intangible assets at ₹ 64.60 crore. Capital Expenditure during the year amounted to ₹ 0.61 crore.

4. 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.

5. DEPOSITORY SYSTEM

As on March 31, 2019, the shares of the Company are held in the following manner:

Equity shares

More than 99.99% of the Company's equity paid up capital representing 4,13,99,994 equity shares @ ₹ 10/- each are in dematerialized form and 6 equity shares @ ₹ 10 each are in physical form.

6. ASSOCIATE

Your company has acquired 98,30,000 equity shares of International Seaports (Haldia) Private Limited from L&T Infrastructure Development Projects Limited (Holding Company) at a consideration of ₹16,71,10,000/- and International Seaports (Haldia) Private Limited has become an Associate Company.

A statement containing the salient features of the financial statement of associate company and their contribution to the overall performance of the Company is provided in the Annual report (Format as per AOC 1) –'Annexure 1'

7. 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.

8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions during the year have been approved in terms of the Act. Details of Related Party Transactions are provided in AOC 2 **'Annexure 2'**

All RPTs are at arms length basis and are in the ordinary course of business.

9. STATE OF COMPANY AFFAIRS

The gross revenue and other income for the financial year under review were ₹ 43.74 crore as against ₹ 41.85 crore for the previous financial year registering an increase of 4.52%. The profit before tax from continuing operations including extraordinary and exceptional items was ₹ 20.82 crore and the profit after tax from continuing operations including extraordinary and exceptional items of ₹ 13.85 crore for the financial year under review as against ₹ 14.71 crore and Rs. 12.75 crore respectively for the previous financial year, registering an increase of 46.92 % and 8.63% respectively.

10. AMOUNT TO BE CARRIED TO RESERVE

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

11. DIVIDEND

The Company has no distributable profits and hence no dividend is payable for the year.

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

Material changes and commitments have occurred affecting the financial position of the Company between the end of the financial year and the date of this report.

Details of significant and material orders

MoRTH (Ministry of Road Transport and Highways) vide its letter dated May 11, 2009 terminated the Concession Agreement (CA) in terms of Article 16.2.3 (ii) of the Concession Agreement i.e. subsistence of Force Majeure Event. The Company vide its letter dated November 25, 2009 has disputed the termination on the ground that the same was in complete disregard to the terms of the Concession Agreement and requested the MoRTH to refer the matter to the Steering Group. MoRTH vide its letter dated December 31, 2009 has disagreed with the contention of the Company and has reiterated its stand and requested the Company to transfer the Project and its Assets immediately.

MoRTH once again sent a letter dated January 8, 2010 and directed the Company to hand over the Project. Aggrieved by the letter dated January 8, 2010, the Company had filed a Writ Petition before the Hon'ble Delhi High Court. High Court vide its order dated January 21, 2010 disposed of the said writ petition upon the MoRTH conceding to the fact that the matter regarding occurrence of Force Majeure Event as per the Agreement has not yet been decided by the Steering Group and that the same shall be referred to the Steering Group for its decision.

Pursuant to the High Court Order, Steering Group meeting was convened on February 12, 2010, wherein the Steering Group met with a predetermined mindset and did not accede to the actual facts of the prevalent dispute among the parties and did not accept any of the submissions of the Company. The Steering Group (Government Nominees) concluded that the contention of the Company regarding non-existence of Force Majeure Event cannot be accepted.

In view of the above, the Company vide its letter dated March 18, 2010 had invoked the arbitration proceedings in accordance with Clause 19.3 of the Concession Agreement challenging the termination letters dated May 11, 2009, November 19, 2009, December 31, 2009 and January 8, 2010 issued by MoRTH whereby MoRTH has wrongfully, arbitrarily and illegally terminated the Concession Agreement dated October 3, 1997 and for settlement of long pending claims. In the Arbitral Proceedings MoRTH and GoTN (NH Division) were impleaded as Respondents.

In the meanwhile, the Company also filed an application under Section 9 of the Arbitration and Conciliation Act, 1996 against MoRTH before the High Court of Delhi seeking the Protection of the Assets / Project till the disposal of Arbitration Proceedings by Arbitral Tribunal. The Hon'ble High Court, vide its order dated March 26, 2010, directed MoRTH not only to refrain from interfering with the operations and maintenance of the Project in any manner but also directed MoRTH to refrain from in any manner taking over possession of the Project except through the due process of courts and law. On July 26, 2013, Hon'ble High Court considering the fact that the proceedings before the Arbitral Tribunal were in advanced stage was pleased to make the Order dated March 26, 2010, i.e., restraining MoRTH from interfering with the operations and maintenance of the project and was further injuncted from taking over possession of the Project except through the due process of court and law, absolute till the pronouncement of Award.

Arbitral Tribunal was constituted as per the terms of the Concession Agreement, comprising of Mr. R. K. Jain-Presiding Arbitrator, Mr. Justice E. Padmanabhan (retd.) - Arbitrator and Mr. C. S. Balaramamurthy - Arbitrator. First meeting of the Arbitral Tribunal was held on August 23, 2011 at New Delhi and the Arbitral Tribunal has pronounced the Award on December 12, 2014.Except compensation for Loss of Revenue on account of non-payment of Toll at Athupalam Bridge, which is by way of Majority Decision, all other issues have been decided unanimously by the Arbitral Tribunal.

Brief of the Award is mentioned herein below :

S.No.	Claims Submitted by L&T TIL as on 30.10.2011	Award	Unanimous/ Majority
1	Direct MoRTH to pay the L&T TIL the amount of ₹ 146,07,52,475.00 on account of Loss of Revenue on account of non payment of Toll at Athupalam Bridge including the interest (compound) thereon at State Bank of India's prime lending rate, from 1998	MoRTH is directed to pay an amount of ₹ 136.22 crores (including interest) towards loss of revenue at Athupalam Bridge upto October 30, 2011 within a period of 90 days from the date of the Award with subsequent interest at 12% p.a. for a period of 90days from December 12, 2014 on the amount of LOR Rs.77.09 crores. In case MoRTH fails to make payment of ₹136.22 crores within 90 days from the date of the Award, MoRTH shall be liable to pay interest @ 14.5% p.a. from the date of the Award till the date of payment on ₹ 77.09 crores. Have considered the interest on simple interest.	Majority Award passed by Mr. Justice E. Padmanabhan and Mr. R. K. Jain.

S.No.	Claims Submitted by L&T TIL as on 30.10.2011	Award	Unanimous/ Majority
2	Direct MoRTH to pay the L&T TIL the amount of ₹ 2,42,23,430.00 on account of Loss of non issuance of Toll Notification for 2010-11 and 2011-12 including the interest (compound) thereon at State Bank of India's prime lending rate, from 1998	47 days extension of concession period for Athupalam Bridge and 950 days for Bypass for claims upto May 2013. Directed the MoRTH to forthwith revise and issue revised Toll Notification in terms of CA revising the rate of Toll from April 1, 2015 by calculating the annual revision already accrued due, by notional calculation and such a notification shall be issued within a month from the date of submission of details by L&T TIL and thereafter issue regular revision notification on a regular basis annually revising the toll rates till the end of CA as well as the extended period ordered. The revised toll rates for the year 2015 will come into operation from April 1, 2015. Have considered the interest on simple interest.	Unanimous Award
3	Direct MoRTH to pay the L&T TIL the amount of ₹ 3,14,46,782.00 on account of Loss of Revenue on account of delay in issuance of revised Fee Notification including the interest (compound) thereon at State Bank of India's prime lending rate, from 1998	87 days extension of concession period for Athupalam Bridge and 234 days for Bypass for claims upto October 30, 2011 Have considered the interest on simple interest.	Unanimous Award
4	Direct MoRTH to award the four-laning project of the Coimbatore Bypass on NH-47 at Kms. 141/0 on the Salem side and joining at 171/200 on the Palghat side of NH-47, to L&T TIL	Directed MoRTH to permit L&T TIL to execute the four laning of bypass on NH47 from 147.00 to 171.200 km as detailed on CA and further issue definitive Orders in this respect within 90 days from the date of the Award besides revising the Toll rates and toll period on completion of four laning of the Project in proportion to the cost of four laning.	Unanimous Award
5	Declare that the alleged termination of the Concession Agreement by the Respondent No.1 to be bad in law and set aside the letter of termination dated 11.05.2009	Held that the termination of CA by MoRTH is illegal, unwarranted and violative of stipulations in the CA as prayed for by L&T TIL and set aside the termination orders issued by MoRTH and consequently held that L&T TIL is entitled to collect Toll fees for the full term as prescribed in the CA and also for the further period on the expiry of CA for a period of 3 ½ months from December 31, 2018 in respect of Athupalam Bridge and for a period of three years, two months and twenty-eight days with respect to bypass and after the expiry of contract period stipulated in CA at the toll rates to be revised in terms of CA.	Unanimous Award
6	In the event termination is upheld direct MoRTH to pay an amount of ₹ 279.71 crores as termination payment in terms of Article 16.6.3 (e) of the Concession Agreement	As the termination was declared illegal question of Termination payment does not arise.	Unanimous Award
7	In event termination is upheld direct MoRTH to pay an amount of ₹ 4,41,99,673.00 against the Minimum Alternate Tax paid by L&T TIL.	As the Termination was declared illegal question of payment of MAT does not arise.	Unanimous Award
8	Direct MoRTH to pay cost in respect to proceedings in Writ Petition No. 381 of 2010 and OMP No.179 of 2010, before the Hon'ble Delhi High Court and that of Arbitration	Rejected the relief of costs	Unanimous Award

MoRTH has preferred appeal under Section 34 of the Arbitration and Conciliation Act before the High Court of Delhi as OMP no,.289 of 2015 on March 12, 2015 and the same is pending.

In view of the pending challenge proceedings, MoRTH has paid 75% of awarded amount i.e. ₹ 114.96 crore (after deduction of TDS from ₹ 117.28 crore) to L&T TIL against Bank Guarantee in terms of the NITI Aayog guidelines dated September 05,2016.

Matter was last listed on February 25, 2019 and the same has been adjourned to April 12, 2019 for final arguments on Section 34 Application.

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

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.

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

14. RISK MANAGEMENT POLICY

The Company follows the risk management policy of its 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.

15. CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility Committee in terms of the Companies Act, 2013. During the year the committee was reconstituted on July 11, 2018 with the inclusion of Mr. P. G. Suresh Kumar as a member in place of Mr. Mathew George. As at March 31, 2019 the Corporate Social Responsibility Committee comprised of Dr. Koshy Varghese, Mr. P. G. Suresh Kumar and Mr. R. G. Ramachandran.

The terms of reference of the Corporate Social Responsibility Committee are in line with the provisions of the Act.

During the year, two Corporate Social Responsibility Committee meetings were held and the details are given below :

Date	Strength of the Committee	No. of members present
April 21, 2018	3	3
October 15, 2018	3	3

The provisions pertaining to Corporate Social Responsibility (CSR) as prescribed under the Act are applicable to your Company and the details of CSR expenditure is enclosed to this Report as **'Annexure 3'.**

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

Mr. P. G. Suresh Kumar, Director retired by rotation at the Annual General Meeting held on September 26, 2018 and was reappointed as Director.

Mr. K. C. Raman, was appointed as Additional Director at the meeting held on July 11, 2018 and regularized as Director at the Annual General Meeting held on September 26, 2018.

Composition of Board of Directors of the Company as on March 31, 2019 :

Name	Designation
Mr. P. G. Suresh Kumar	Director
Mr. R. G. Ramachandran	Director
Mr. K. C. Raman	Director
Mr. N. Raghavan	Independent Director
Dr. Koshy Varghese	Independent Director

Mr. K. V. Satish Kumar tendered his resignation as Manager of the Company with effect from December 19, 2018. Consequently Mr. Suresh Sankaranarayanan was appointed as Manager with effect from March 15, 2019.
Key Managerial Personnel (KMP) of the Company as on March 31, 2019 :

Name	Designation
Mr. Suresh Sankaranarayanan	Manager
Mr. Poovarasan Umapathy	Chief Financial Officer
Mr. Krishnaswamy Srinathan	Company Secretary

Number of Meetings of the Board of Directors

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings.

During the year eight Board Meetings were held as detailed hereunder :

Date	Board Strength	No. of Directors Present
April 21, 2018	5	3
July 11, 2018	5	4
September 10, 2018	5	4
October 15, 2018	5	5
October 30, 2018	5	4
December 20, 2018	5	4
January 11, 2019	5	5
March 15, 2019	5	3

Information to the Board

The Board of Directors has complete access to the information within the Company which interalia 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/Audit Committee/Corporate Social Responsibility Committee (minutes of Board, AC, NRC and CSR are circulated to the Board) where Directors get an opportunity to interact with senior managers. Presentations, interalia cover business strategies, management structure, management development and planning, half-yearly and annual results, budgets, treasury, review of Internal Audit, 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. During the year the Committee was reconstituted on July 11, 2018 with the inclusion of Mr. P. G. Suresh Kumar as member in place of Mr. Mathew George. As at March 31, 2019 the Audit Committee comprised of Mr. N. Raghavan, Dr. Koshy Varghese and Mr. P. G. Suresh Kumar.

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

Date	Strength of the Committee	No. of members present
April 21, 2018	3	2
July 11, 2018	3	3
October 15, 2018	3	3
January 11, 2019	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 Head Internal Auditor of the Holding Company was the co-ordinator for the Vigil Mechanism and responsible for receiving, validating, investigating and reporting to the Audit Committee during the year.

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 victimisation of persons who avail the same and provides for direct access to the Chairman of the Audit Committee.

Members can view the details of the whistle blower policy under the said framework of the Company on the website of its Holding Company (L&T Infrastructure Development Projects Limited) www.lntidpl.com.

Company Policy on Director Appointment and Remuneration

The Company has constituted a Nomination and Remuneration Committee in place in terms of Companies Act, 2013. As at March 31, 2019 the Nomination and Remuneration Committee comprised of Mr. R. G. Ramachandran, Mr. N. Raghavan and Dr. Koshy Varghese.

During the year two Nomination and Remuneration Committee meetings were held as detailed hereunder:

Date	Strength of the Committee	No. of members present
July 11, 2018	3	3
March 15, 2019	3	2

The Committee had formulated a policy on Director's appointment and remuneration including recommendation of remuneration of the KMP and the criteria for determining qualifications, positive attributes and independence of a Director 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, 2019, the Audit Committee and the Board have opined 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.

17. 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.

18. 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 through an online portal 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 November 28, 2018 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.

19. DISCLOSURE OF REMUNERATION

As the shares of the Company are not listed with any stock exchange, no information is being provided under Section 197 of the Act read with sub rule 2 of rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

20. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

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

21. 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 its Holding company. This has been widely disseminated. The Company has an internal compliance committee under the Sexual Harrassment of Women at Workplace (Prevention, Prohibtion and Redressal) Act, 2013. There were no complaints of sexual harassment by the Company during the year.

22. AUDITORS REPORT

The Auditors' Reports on the financial statements for the financial year 2018-19 are unqualified. The Notes to the accounts referred to in the Auditors' Reports are self-explanatory and do not call for any further clarifications under Section 134(3)(f) of the Act.

23. AUDITOR

The Company at the Twentieth Annual General Meeting (AGM) held on September 26, 2017 had appointed M/s. M. K. Dandeker & Co, Chartered Accountants, (ICAI Registration no: 000679S), Chennai as Statutory Auditors of the Company to hold office from the conclusion of that AGM until the conclusion of the sixth consecutive AGM of the Company.

24. SECRETARIAL AUDITOR

Your company is not attracted by the provisions of Section 204 of the Act pertaining to secretarial audit.

25. COST AUDITOR

Your company is not attracted by the provisions of Section 148 of the Act and Rule 3 and 4 of the Companies (Cost Records and Audit) Amendments Rules, 2015 pertaining to cost audit.

26. EXTRACT OF ANNUAL RETURN

The extract of the annual return in Form No. MGT – 9 is enclosed to this Report as 'Annexure 4'.

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, 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

	R. G. RAMACHANDRAN	P. G. SURESH KUMAR
Place : Chennai	*Director*	*Director*
Date : 12.04.2019	*DIN : 02671982*	*DIN : 0712488*

ANNEXURE 1

Statement containing the salient features of the financial statements of subsidiaries / associate companies / joint ventures for the financial year ended March 31, 2019

a) Subsidiaries – N.A

b) Associates

S. No.	Associates	No. of Shares held	Amount of investment (Rs.)	Extent of holding %	Net worth attributable to Shareholding as per latest audited Balance Sheet (Rs. in crore)	Profit / (Loss) (Rs. in crore)		Description of how there is significant influence	Reason why the associate is not consolidated
						Considered in consolidation	Not considered in consolidation		
1	ISP Haldia Private Limited	98,30,000	167110000	22.31%	14.97*	1.44	Not applicable	Due to stake held and Board representation	Not applicable

***** As per unaudited financials

Date of investment December 20, 2018

c) Names of Subsidiaries which have been liquidated or sold during the year : NIL

d) Names of Associates and Joint ventures which have been liquidated or sold during the year : NIL

e) Names of Subsidiaries which are yet to commence commercial operation : NIL

f) Names of Associates / Joint venture which are yet to commence operation : NIL

For and on behalf of the Board

	R. G. RAMACHANDRAN	P. G. SURESH KUMAR
Place : Chennai	*Director*	*Director*
Date : 12.04.2019	*DIN : 02671982*	*DIN : 07124883*

ANNEXURE 2

FORM NO. AOC. 2

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis
   The Company has not entered into such transactions during the year.
2. Details of material contracts or arrangement or transactions at arm's length basis

Name of the related party	Nature of relationship	Nature of contract/ arrangement/ transactions	Duration of contract/ arrangement/ transactions	Salient terms of contract/ arrangement/ transactions	Contract price (in Rs.)	Amount paid as advance
L&T Infrastructure Development Projects Limited	Holding Company	Purchase of Shares of International Seaports (Haldia) Pvt. Ltd	-	-	16,71,10,000	-

a) There were no contracts or arrangements entered into by the Company with related party(s) during the FY 2018 – 19 which required shareholders' approval as per Sec. 188(1) of the Companies Act, 2013

b) The details of related party transactions during the FY 2018 – 19 form part of the financial statements as per Ind AS 24 and the same is given in Note H(6)

For and on behalf of the Board

R. G. RAMACHANDRAN
Director
DIN : 02671982

P. G. SURESH KUMAR
Director
DIN : 07124883

Place : Chennai
Date : 12.04.2019

ANNEXURE 3

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

a. Amount to be spent on CSR :

Particulars	₹
Average Net Profit of the Company for the last three financial years	15,42,36,582
Amount to be spent as CSR during the year	30,84,732
Amount carried forward from earlier years	50,64,552
Amount spent during the year	75,48,333
Amount unspent aggregating	6,00,951

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 :

(Amount in ₹)

CSR project / activity identified	Sector in which the project is covered	Projects/Programs : Village / State	Amount outlay (budget) project / program wise	Amount spent on the project / programs Sub-heads :	Cumulative spend upto the reporting period	Amount spent (Direct / implementing agency)
Providing drinking water facility	Health	Mangalgi Village, Karnataka	3,00,000	2,83,200	2,83,200	75,48,333
		Masinikani Village, Laing Village, Bhedbadal Village, Sundargarh Village, Odisha	26,20,000	30,22,665	33,05,865	
Construction of Toilet blocks : a. Rajkiya Ambedkar Boys Hostel		Manpur, Abu Road, Rajasthan	2,49,000	2,49,938	35,55,803	
b. Government Primary School		Irugur, Tamil Nadu	7,51,000	6,91,433	42,47,236	
c. Government Primary School		Venkettapuram, Tamil Nadu	7,51,000	6,80,296	49,27,537	
d. Government School toilet renovation		Hugali Village, Karnataka	-	72,553	50,00,085	
Providing toilet and drinking water facility : a. Masnikani Government School		Masnikani, Odisha	2,48,000	3,96,000	53,96,085	
b. Talmadgi Village		Talmadgi Village, Karnataka	-	2,19,053	56,15,138	

CSR project / activity identified	Sector in which the project is covered	Projects/Programs : Village / State	Amount outlay (budget) project / program wise	Amount spent on the project / programs Sub-heads :	Cumulative spend upto the reporting period	Amount spent (Direct / implementing agency)
Livelihood enhancement activities	Social welfare	Sangareddy, Man-E-Khalli and Sadashivpeth, Kamkole Chowrastha, Karnataka	7,24,000	7,87,789	64,02,927	
		Sundargarh, Odisha	3,57,000	2,97,897	67,00,824	
Women Empowerment Social Welfare and Livelihood Enhancement Activities		Kutani Road, Panipat,Haryana	2,50,000	1,47,650	68,48,474	
		Madukkarai, Tamil Nadu	-	41,714	68,90,188	
		Bidar, Karnataka	-	1,51,356	70,41,544	
Improvement in school building : a.Rekulgi Gram Panchayat School	Education	Rekulgi, Karnataka	90,000	78,848	71,20,392	
b. Vanpari Primary School		Vanpari Village, Gujarat	3,00,000	2,90,741	74,11,133	
c. Renovation of Government School		Kamakole Village, Karnataka	2,65,000	1,37,200	75,48,333	
Total			**69,05,000**	**75,48,333**	**75,48,333**	**75,48,333**

For and on behalf of the Board

R. G. RAMACHANDRAN *Director* *DIN : 02671982*

P. G. SURESH KUMAR *Director* *DIN : 07124883*

Place : Chennai
Date : 12.04.2019

Annexure 4

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2019

[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	U45203TN1997PLC039102
Registration Date	24/09/1997
Name of the Company	L&T Transportation Infrastructure 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 Website: www.lntidpl.com
Whether listed company Yes / No	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	NSDL Database Management Limited. 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013. (Phone: +91 22 49142700)

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and CIN/GLN of the Company	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	L&T Infrastructure Development Projects Limited U65993TN2001PLC046691	Holding	73.76%	2(46)
2	International Seaports (Haldia) Private Limited U45205WB1999PTC090733	Associate	22.31%	2(6)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	–	–	–	–	–	–	–	–	–
b) Central Govt.	–	–	–	–	–	–	–	–	–
c) State Govt (s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	41399994	–	41399994	100	41399994	–	41399994	100	–
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any Other….	–	–	–	–	–	–	–	–	–
Sub-total (A) (1)	**41399994**	**–**	**41399994**	**100**	**41399994**	**–**	**41399994**	**100**	**–**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(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)	**41399994**	**–**	**41399994**	**100**	**41399994**	**–**	**41399994**	**100**	**–**
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 Rs. 1 lakh	**–**	**6**	**6**	**–**	**-**	**6**	**6**	**–**	**–**
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	–	–	–	–	–	–	–	–	–
c) Others (specify)	–	–	–	–	–	–	–	–	–
Sub-total (B)(2):-	**–**	**6**	**6**	**–**	**-**	**6**	**6**	**–**	**–**
Total Shareholding of promoter (B)=(B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	**41399994**	**6**	**41400000**	**100**	**41399994**	**6**	**41400000***	**100**	**–**

*including Shares held by individuals jointly with Larsen & Toubro Limited.

(ii) Shareholding of Promoters

S. No.	Shareholders Name	Shareholding as on April 01, 2018			Shareholding as on March 31, 2019			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	L&T Infrastructure Development Projects Limited	30536000	73.76%	0	30536000	73.76%	0%	-
2	Larsen & Toubro Limited	10863994	26.24%	0	10863994	26.24%	0%	-
	Total	**41399994**	**100%**	**0%**	**41399994**	**100%**	**0%**	**-**

(iii) Change in Promoters' Shareholding : Nil

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

S. No.	For Each of the Top 10 Shareholders	No. of shares	% of total shares	Cumulative Shareholding during the year	
				No. of shares	% of total shares
1.	**Mr. Shailesh K. Pathak jointly with L&T**				
	As on April 1, 2018	–	–	–	–
	Share transferred from Mr. K. Venkatesh jointly with L&T IDPL	1	0	1	0
	As on March 31, 2019	1	0	1	0
2.	**Mr. P. Padmanabhan jointly with L&T**				
	As on April 1, 2018	–	–	–	–
	Share transferred from Mr. J. Subramanian jointly with L&T IDPLs	1	0	1	0
	As on March 31, 2019	1	0	1	0
3.	**Mr. T. S. Venkatesan jointly with L&T**				
	As on April 1, 2018	1	0	1	0
	No change in Shareholding during the year	–	–	–	–
	As on March 31, 2019	1	0	1	0
4.	**Mr. Karthikeyan TV jointly with L&T**				
	As on April 1, 2018	1	0	1	0
	No change in Shareholding during the year	–	–	–	–
	As on March 31, 2019	1	0	1	0

(v) Shareholding of Directors and Key Managerial Personnel :

S. No.	For Each of the Top 10 Shareholders	No. of shares	% of total shares	Cumulative Shareholding during the year	
				No. of shares	% of total shares
1.	**Mr. P. G. Suresh Kumar jointly with L&T**				
	As on April 1, 2018	1	0	1	–
	No change in shareholding during the year	-	-	-	0
	As on March 31, 2019	1	0	1	0
2.	**Mr. R. G. Ramachandran jointly with L&T**				
	As on April 1, 2018	1	0	1	0
	No change in Shareholding during the year	–	–	–	–
	As on March 31, 2019	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, 2018			
i) Principal Amount	39.35	-	39.35
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	**39.35**	**-**	**39.35**
Change in Indebtedness during the financial year			
Addition	-	-	-
Reduction	19.53	-	19.53
Net Change	**19.53**	**-**	**19.53**
As on March 31, 2019			
i) Principal Amount	19.82	-	19.82
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	**19.82**	-	**19.82**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Satish Kumar K V (1.4.2019 -19.12.2019)	Suresh Sankarnarayanan (15.03.2019- 31.03.2019)	
1.	Gross salary	18,90,566	29,474.73	**1920040.73**
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	-	-	
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	-	-	
	(c) Profits in lieu of salary under Section 17(3) Income-Tax Act, 1961	-	-	
2.	Stock Option	-	-	
3.	Sweat Equity	-	-	
4.	Commission	-	-	
	- as % of profit	-	-	
	- others, specify…	-	-	
5.	Others, please specify	-	-	
	Total (A)	**18,90,566**	**29,474.73**	**1920040.73**
	Ceiling as per the Act	**2,28,64,794**		

B. Remuneration to other directors:

(Amount in ₹)

S. No.	Particulars of Remuneration	Name of Directors		Total Amount
1.	Independent Directors	**Mr. N. Raghavan**	**Dr. Koshy Varghese**	
	Fee for attending Board Meeting	1,50,000	2,00,000	3,50,000
	Fee for attending Committee Meeting	40,000	80,000	1,20,000
	Commission	-	-	-
	Others	-	-	-
	Total (1)	**1,90,000**	**2,80,000**	**4,70,000**
2.	**Other Non – Executive Directors**			
	1. Mr. P. G. Suresh Kumar			
	2. Mr. R. G. Ramachandran			
	3. Mr. K. C. Raman			

S. No.	Particulars of Remuneration	Name of Directors		Total Amount
	Fee for attending Board Meeting			
	Fee for attending			
	Committee Meeting			
	Commission			
	Others Please Specify			
	Total (2)			
	Total (B)=(1+2)	**1,90,000**	**2,80,000**	**4,70,000**
	Overall Ceiling as per the Act	**Sitting fees not more than Rs.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. U. Poovarasan, CFO and Mr. K. Srinathan, Company Secretary of the Company are employed by the Holding Company and Larsen & Toubro Limited respectively.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : NIL

For and on behalf of the Board

R. G. RAMACHANDRAN
Director
DIN: 02671982

P. G. SURESH KUMAR
Director
DIN: 07124883

Place : Chennai
Date : 12/4/2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF M/S. L & T TRANSPORTATION INFRASTRUCTURE LIMITED

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

OPINION

We have audited the Standalone Ind AS financial statements of L & T Transportation Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 (''the Act'') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (''Ind AS'') prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Stand alone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE IND AS 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 Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 including Other Comprehensive Income, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.
e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements – Refer Note 'F' to the Standalone Ind AS financial statements;
   ii) The Company did not have any long-term contracts including derivative contracts for which there any material foreseeable losses.
   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for M. K. DANDEKER & CO.,
(ICAI Regn. No.000679S)

S. Poosaidurai
Partner
Chartered Accountants
Membership No.223754

Date : April 12, 2019
Place : Chennai

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our Report of even date)

1. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
   b) The Fixed Assets have been physically verified by the Management at regular Intervals and no material discrepancies were noticed on such verification.
   c) The title deeds of immovable properties are held in the name of the Company.
2. The Company is engaged in the business of infrastructure development and maintenance and hence clause 3 (ii) of the Companies (Auditor's Report) Order 2016 relating to inventory is not applicable.
3. The Company has granted unsecured loans which are repayable on demand to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. The terms of such loans are not prejudicial to company's interest.
4. According to the information and explanations given to us, provisions of Section 185 and 186 of the Companies Act, 2013 are complied with in respect of loans, investments, guarantees and securities given by the Company, if any.
5. The Company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.
6. The maintenance of cost records under Section148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 (as amended) is not applicable for the Company as it does not meet the threshold limit of turnover prescribed under Rule 3 of the Rules. Accordingly, reporting under clause (vi) of the Order does not arise
7. a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
   b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues which have not been deposited on account of dispute.
8. The Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues to debenture holders, if any.
9. The Company has not taken any term loans or raised any money by way of initial public offer or further Public offer during the year.
10. Based on the information and explanation given to us, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the 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.
12. The Company is not a Nidhi Company and hence Clause3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, Paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For M. K. DANDEKER & CO.,
(ICAI Regn. No.000679S)

S. Poosaidurai
Partner
Chartered Accountants
Membership No.223754

Date : April 12, 2019
Place : Chennai

ANNEXURE – B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our Report of even date)

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 L&T Transportation Infrastructure Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone 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 (the "Guidance Note"). 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 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 Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS 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 March 31, 2019, 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 M. K. DANDEKER & CO.,
(ICAI Regn. No.000679S)

S. Poosaidurai
Partner
Chartered Accountants
Membership

Date : April 12, 2019
Place : Chennai
No.223754

BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Note No.	March 31, 2019 ₹	*March 31, 2018* ₹
ASSETS			
Non-current assets			
a) Property, Plant and Equipment	1	12,119,169	*8,354,930*
b) Capital work-in-progress	2	-	-
c) Intangible assets	3	633,908,343	*672,319,069*
d) Financial Assets			
i) Loans and advances	4	697,219	*683,165*
ii) Non current investments	7	152,365,000	-
e) Deferred tax assets (net)	5	25,270,916	*49,664,887*
f) Other non-current assets	6	14,493,883	*9,764,966*
	A	838,854,530	*740,787,017*
Current assets			
a) Financial Assets			
i) Investments	7	399,634,739	*809,661,820*
ii) Cash and cash equivalents	8	129,826,038	*361,721,958*
iii) Other bank balances	8	978,205,873	*671,357,988*
iv) Loans and advances	4	1,099,394,701	*733,431,918*
b) Other current assets	6	420,774,852	*420,605,078*
	B	3,027,836,203	*2,996,778,762*
TOTAL	A+B	3,866,690,733	*3,737,565,779*
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share capital	9	414,000,000	*414,000,000*
b) Other Equity	10	1,698,908,176	*1,560,371,995*
	C	2,112,908,176	*1,974,371,995*
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	11	-	*198,515,435*
ii) Other financial liabilities	12	1,459,800	*1,393,800*
	D	1,459,800	*199,909,235*
Current liabilities			
a) Financial liabilities			
ii) Trade payables	15	6,303,900	*8,783,342*
ii) Other financial liabilities	12	1,595,191,186	*1,432,870,338*
b) Other current liabilities	14	768,669	*1,210,997*
c) Provisions	13	150,059,002	*120,419,872*
d) Current tax liabilities (net)	16	-	-
	E	1,752,322,757	*1,563,284,549*
Total Equity and Liabilities	C+D+E	3,866,690,733	*3,737,565,779*
Contingent liabilities	F		
Commitments	G		
Other notes forming part of accounts	H		
Significant accounting policies	I		

As per our report attached

For and on behalf of the Board

For M.K.Dandeker & Co.
Chartered Accountants
(Firm's Registration No.: 000679S)
By the hand of

S. POOSAIDURAI	**U. POOVARASAN**	**K. SRINATHAN**	**R. G. RAMACHANDRAN**	**K. C. RAMAN**
Partner	*Chief Financial Officer*	*Company Secretary*	*Director*	*Director*
Membership No.: 223754			*DIN : 02671982*	*DIN : 07763969*

Place : Chennai
Date : April 12, 2019

Place : Chennai
Date : April 12, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Note No.	2018-19		2017-18	
		₹	₹	₹	₹
INCOME					
Revenue from Operations	**17**		**320,075,408**		*303,865,843*
Other income	**18**		**117,315,546**		*114,624,224*
Total Income			**437,390,954**		*418,490,067*
EXPENSES					
Operating expenses	**19**		**111,154,380**		*122,852,788*
Employee benefit expenses	**20**		**10,409,545**		*11,688,684*
Finance costs	**21**		**42,812,850**		*71,968,314*
Depreciation and amortisation	**1 & 3**		**40,727,862**		*36,319,069*
Administration and other expenses	**22**		**24,421,262**		*34,162,703*
Total Expenses			**229,525,899**		*276,991,558*
Profit/(loss) before tax			**207,865,055**		*141,498,509*
Tax Expense:					
Current tax		**74,650,000**		*49,097,000*	
Prior year taxes		**(6,787,982)**		-	
Deferred tax (incl MAT Credit Entitlement)		**1,808,334**		*(34,907,542)*	
			69,670,352		*14,189,458*
Profit after tax for the year			**138,194,703**		*127,309,051*
Other Comprehensive Income/ (expense)	**23**		**341,478**		*217,169*
i) Not reclassifiable to profit or loss in subsequent periods			**341,478**		*217,169*
Total Comprehensive Income for the year			**138,536,181**		*127,526,220*
Earnings per equity share (Basic and Diluted)	**H (8)**		**3.34**		*3.08*
Face value per equity share			**10.00**		*10.00*

As per our report attached

For and on behalf of the Board

For M. K. Dandeker & Co.
Chartered Accountants
(Firm's Registration No.: 000679S)
by the hand of

S. POOSAIDURAI
Partner
Membership No.: 223754
Place : Chennai
Date : April 12, 2019

U. POOVARASAN
Chief Financial Officer

K. SRINATHAN
Company Secretary

R. G. RAMACHANDRAN
Director
DIN : 02671982

K. C. RAMAN
Director
DIN : 07763969

Place : Chennai
Date : April 12, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

		2018-19 ₹	*2017-18* *₹*
A	**Net profit / (loss) before tax and extraordinary items**	**208,206,533**	*141,715,678*
	Adjustment for		
	Depreciation and amortisation expense	**40,727,862**	*36,319,069*
	Interest expense	**42,812,850**	*71,968,314*
	Interest income	**(49,271,551)**	*(18,397,792)*
	(Profit)/loss on sale of current investments (net)	**(67,972,735)**	*(95,971,272)*
	(Profit)/loss on sale of fixed assets	**(3,295)**	*(129,999)*
	Operating profit before working capital changes	**174,499,664**	*135,503,998*
	Adjustments for:		
	Increase / (Decrease) in provisions	**29,633,230**	*44,329,347*
	Increase / (Decrease) in trade payables	**(2,479,442)**	*(20,090,193)*
	Increase / (Decrease) in other current liabilities	**(442,328)**	*512,390*
	Increase / (Decrease) in other financial liabilities	**152,558,183**	*1,234,897,340*
	(Increase) / Decrease in long term loans and advances	**(14,054)**	*(340,095)*
	(Increase) / Decrease in short term loans and advances	**24,393,971**	*-*
	(Increase) / Decrease in short term loans and advances	**4,038,514**	*3,050,248*
	(Increase) / Decrease in other current assets	**(344,652)**	*(3,360,966)*
	Net cash generated from/(used in) operating activities	**381,843,086**	*1,394,502,069*
	Direct taxes paid (net of refunds)	**(74,225,688)**	*(43,178,658)*
	Net Cash (used in)/generated from Operating Activities	**307,617,398**	*1,351,323,411*
B	**Cash flow from investing activities**		
	Purchase of fixed assets	**(6,081,381)**	*(6,156,327)*
	Sale of fixed assets	**3,301**	*156,717*
	Net (Purchase)/Sale of current investments	**484,613,624**	*847,266,717*
	Investments in shares of associates(Net of Dividend Received)	**(152,365,000)**	*-*
	Advance paid for purchase of shares	**-**	*(420,000,000)*
	Unsecured loan given	**(370,000,000)**	*(729,300,000)*
	Changes in other bank balances	**(306,847,885)**	*(671,357,988)*
	Interest received	**49,271,551**	*18,397,792*
	Net cash (used in)/generated from investing activities	**(301,405,790)**	*(960,993,089)*
C	**Cash flow from financing activities**		
	Repayment of long term borrowings	**(195,300,578)**	*(195,240,455)*
	Interest paid	**(42,806,950)**	*(62,778,993)*
	Net cash (used in)/generated from financing activities	**(238,107,528)**	*(258,019,448)*
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(231,895,920)**	*132,310,875*
	Cash and cash equivalents as at the beginning of the year	**361,721,958**	*229,411,083*
	Cash and cash equivalents as at the end of the year	**129,826,038**	*361,721,958*

Notes:

1. Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Cash Flow statements
2. Cash and cash equivalents represent cash and bank balances.
3. Previous year's figures have been regrouped/reclassified wherever applicable.

As per our report attached

For and on behalf of the Board

For M. K. Dandeker & Co.
Chartered Accountants
(Firm's Registration No.: 000679S)
by the hand of

S. POOSAIDURAI
Partner
Membership No.: 223754

U. POOVARASAN
Chief Financial Officer

K. SRINATHAN
Company Secretary

R. G. RAMACHANDRAN
Director
DIN : 02671982

K. C. RAMAN
Director
DIN : 07763969

Place : Chennai
Date : April 12, 2019

Place : Chennai
Date : April 12, 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A) Equity share capital

Particulars	**No. of shares**	**₹**
Balance at the beginning of the year	41,400,000	414,000,000
Changes in equity share capital	-	-
Balance at the end of the year	**41,400,000**	**414,000,000**

B) Other Equity

	General Reserve	**Retained earnings**	**Total**
Balance at the beginning of the year	2,029,771	1,558,342,224	1,560,371,995
Profit for the year	-	138,194,703	138,194,703
Other comprehensive income	-	341,478	341,478
Balance at the end of the year	**2,029,771**	**1,696,878,405**	**1,698,908,176**

As per our report attached

For and on behalf of the Board

For M. K. Dandeker & Co.
Chartered Accountants
(Firm's Registration No.: 000679S)
by the hand of

S. POOSAIDURAI
Partner
Membership No.: 223754
Place : Chennai
Date : April 12, 2019

U. POOVARASAN
Chief Financial Officer

K. SRINATHAN
Company Secretary

R. G. RAMACHANDRAN
Director
DIN : 02671982

K. C. RAMAN
Director
DIN : 07763969

Place : Chennai
Date : April 12, 2019

NOTES FORMING PART OF ACCOUNTS

1. PROPERTY, PLANT AND EQUIPMENT

₹

Particulars	Cost				Depreciation				Book Value	
	As at April 01, 2018	Additions	Deduc-tions	As at March 31, 2019	As at April 01, 2018	For the year	Deductions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Owned										
Land	607,315	-	-	607,315	-	-	-	-	607,315	607,315
Building	873,183	-	-	873,183	77,046	25,682	-	102,728	770,455	796,137
Plant and Equipment	6,160,211	3,252,203	2	9,412,412	1,934,437	828,137	2	2,762,572	6,649,840	4,225,774
Furniture and fixtures	243,197	-	-	243,197	77,908	17,498	-	95,406	147,791	165,289
Vehicles	95,176	-	-	95,176	95,175	-	-	95,175	1	1
Office equipment	2,090,596	112,690	13,200	2,190,086	387,017	558,606	13,196	932,427	1,257,659	1,703,579
Electrical installations	41,165	-	1	41,164	41,163	-	1	41,162	2	2
Air conditioning and Refrigeration	289,806	-	-	289,806	23,817	26,565	-	50,382	239,424	265,989
Computers, laptops and printers	1,096,611	2,716,488	53,821	3,759,278	505,767	860,648	53,819	1,312,596	2,446,682	590,844
Total	**11,497,260**	**6,081,381**	**67,024**	**17,511,617**	**3,142,330**	**2,317,136**	**67,018**	**5,392,448**	**12,119,169**	**8,354,930**
Previous year	*4,413,751*	*7,210,244*	*126,735*	*11,497,260*	*2,424,230*	*818,117*	*100,017*	*3,142,330*	*83,54,930*	-

2. CAPITAL WORK-IN-PROGRESS

Particulars	Cost			
	As at April 01, 2018	Additions	Capitalised during the year	As at March 31, 2019
Capital work in progress		-		-
Total	-	**-**	-	**-**
Previous year	*1,053,917*	-	*1,053,917*	-

3. INTANGIBLE ASSETS

₹

Particulars	Cost				Amortisation				Book Value	
	As at April 01, 2018	Additions	Deductions	As at March 31, 2019	As at April 01, 2018	For the year	Deductions	As at March 31, 2019	As at March 31, 2019	As as March 31, 2018
Toll collection rights	*979,689,743*	-	55,615,201	**924,074,542**	*307,370,674*	38,410,726	55,615,201	**290,166,199**	**633,908,343**	*672,319,069*
Total	*979,689,743*	-	55,615,201	**924,074,542**	*307,370,674*	38,410,726	55,615,201	**290,166,199**	**633,908,343**	*672,319,069*
	979,689,743	-	-	**979,689,743**	*271,869,722*	35,500,952	-	**307,370,674**	*672,319,069*	-

4. LOANS AND ADVANCES

Particulars	March 31, 2019			*March 31, 2018*		
	Current	Non-current	Total	*Current*	*Non-current*	*Total*
	₹	₹	₹	₹	₹	₹
a) Security deposits Unsecured, considered good	**-**	**697,219**	**697,219**	-	*683,165*	*683,165*
b) Loans to related parties Unsecured, considered good	**1,099,300,000**	**-**	**1,099,300,000**	*729,300,000*	-	*729,300,000*
c) Receivable from others	**12,666**	**-**	**12,666**	*11,369*	-	*11,369*
d) Receivable from NHAI	**82,035**	**-**	**82,035**	*4,120,549*	-	*4,120,549*
	1,099,394,701	**697,219**	**1,100,091,920**	*733,431,918*	*683,165*	*734,115,083*

NOTES FORMING PART OF ACCOUNTS (Contd.)

5. DEFERRED TAX ASSETS (NET)

Particulars	**March 31, 2019**			*March 31, 2018*		
	Current	**Non-current**	**Total**	*Current*	*Non-current*	*Total*
	₹	₹	₹	₹	₹	₹
Deferred tax Liability (net)	**-**	**(148,153,822)**	**(148,153,822)**	-	*(146,345,488)*	*(146,345,488)*
Mat credit entitlement	**-**	**173,424,738**	**173,424,738**	-	*196,010,375*	*196,010,375*
	-	**25,270,916**	**25,270,916**	-	*49,664,887*	*49,664,887*

6. OTHER NON-CURRENT AND CURRENT ASSETS

Particulars	**March 31, 2019**			*March 31, 2018*		
	Current	**Non-current**	**Total**	*Current*	*Non-current*	*Total*
	₹	₹	₹	₹	₹	₹
Advances other than capital advances						
Other receivables						
Advance paid for purchase of shares	**420,000,000**	**-**	**420,000,000**	*420,000,000*	-	*420,000,000*
Advance recoverable other than in cash						
Prepaid expenses	**565,181**	**-**	**565,181**	*587,203*	-	*587,203*
Leave encashment plan asset (net of provisions)	**15,331**	**-**	**15,331**	*17,875*	-	*17,875*
Gratuity plan asset (net of provisions)	**194,340**	**173,581**	**367,921**			
Income tax net of previous year provisions	**-**	**14,320,302**	**14,320,302**	-	*9,764,966*	*9,764,966*
	420,774,852	**14,493,883**	**435,268,735**	*420,605,078*	*9,764,966*	*430,370,044*

7. INVESTMENTS

Particulars	**As at March 31, 2019**		*As at March 31, 2018*	
	₹	₹	₹	₹
	Current	**Non Current**	*Current*	*Non Current*
Investments at fair value through Profit and Loss				
Investments in mutual funds	**399,634,739**	-	*809,661,820*	-
Investment in Commercial paper	-			
Investments in associates	-	**152,365,000**	-	-
	399,634,739	**152,365,000**	*809,661,820*	-

During the year the company had purchased 98,30,000 shares @ ₹17 per share (cum dividend) from L&T IDPL which forms 22.31 % of holding in the total share capital of International Seaports (Haldia) Private Limited.

Investments in mutual funds includes an amount of Rs. 17,82,13,808 collected on account of toll revision from the month of January 2018 & held under separate escrow agreement as per the conditions stipulated by MoRTH vide letter RWNH'12024/8/2016-TN(P-7).

NOTES FORMING PART OF ACCOUNTS (Contd.)

8. CASH AND CASH EQUIVALENTS

Particulars

	As at March 31, 2019 Current ₹	*As at March 31, 2018 Current ₹*
(i) Cash and cash equivalents		
a) Balances with banks	**9,796,108**	*8,126,990*
b) Cheques on hand	**14,745,000**	-
c) Cash on hand	**5,216,437**	*3,387,850*
d) Fixed deposits with banks including interest accrued thereon		
Less than 3 Months	**100,068,493**	*350,207,118*
	129,826,038	*361,721,958*
(ii) Other bank balances		
a) Fixed deposit more than 3 Months	**978,205,873**	*671,357,988*
	978,205,873	*671,357,988*
	1,108,031,911	*1,033,079,946*

Fixed deposits in other bank balances includes FD amounting to Rs. 67,10,21,228 P.Y. (65,53,09,757) along with interest kept as margin money deposit for issuance of bank guarantee in favour of MoRTH in compliance with NITI AAYOG circular for availing 75% of arbitration award won during December 2017.

9. SHARE CAPITAL

(i) Authorised, issued, subscribed and paid up

Particulars	**As at March 31, 2019**		*As at March 31, 2018*	
	No. of shares	**₹**	*No. of shares*	*₹*
Authorised:				
Equity shares of ₹ 10 each	**50,000,000**	**500,000,000**	*50,000,000*	*500,000,000*
Issued, subscribed and fully paid up	**41,400,000**	**414,000,000**	*41,400,000*	*414,000,000*
Equity shares of ₹ 10 each	**41,400,000**	**414,000,000**	*41,400,000*	*414,000,000*

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

Particulars	**As at March 31, 2019**		*As at March 31, 2018*	
	No. of shares	**₹**	*No. of shares*	*₹*
At the beginning of the year	**41,400,000**	**414,000,000**	*41,400,000*	*414,000,000*
Issued during the year as fully paid		-	-	-
Others	-	-	-	-
At the end of the year	**41,400,000**	**414,000,000**	*41,400,000*	*414,000,000*

(iii) Terms/rights attached to shares

Equity shares

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

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

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

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

NOTES FORMING PART OF ACCOUNTS (Contd.)

9. SHARE CAPITAL *(Contd.)*

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

Particulars	**As at March 31, 2019** No. of shares	**As at March 31, 2019** ₹	*As at March 31, 2018* No. of shares	*As at March 31, 2018* ₹
L&T Infrastructure Development Projects Limited (including nominee holding)	**30,536,000**	**305,360,000**	*30,536,000*	*305,360,000*
Larsen and Toubro Limited (ultimate holding company)	**10,864,000**	**108,640,000**	*10,864,000*	*108,640,000*
	41,400,000	**414,000,000**	*41,400,000*	*414,000,000*

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

Particulars	**As at March 31, 2019** No. of shares	**As at March 31, 2019** %	*As at March 31, 2018* No. of shares	*As at March 31, 2018* %
L&T Infrastructure Development Projects Limited (including nominee holding)	**30,536,000**	**73.76%**	*30,536,000*	*73.76%*
Larsen and Toubro Limited (including nominee holding)	**10,864,000**	**26.24%**	*10,864,000*	*26.24%*

(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

10. OTHER EQUITY AS ON 31.03.2019

Particulars	**Reserves & Surplus**		
	General Reserve	**Retained earnings**	**Total**
Balance at the beginning of the reporting period	**2,029,771**	**1,558,342,224**	**1,560,371,995**
Profit for the year	**-**	**138,194,703**	**138,194,703**
Other comprehensive income	**-**	**341,478**	**341,478**
Balance at the end of the reporting period	**2,029,771**	**1,696,878,405**	**1,698,908,176**

11. BORROWINGS

Particulars	**As at March 31, 2019** Current ₹	**As at March 31, 2019** Non current ₹	**Total** ₹	*As at March 31, 2018* *Current* ₹	*As at March 31, 2018* *Non current* ₹	*Total* ₹
Secured borrowings						
a) Term loans						
i) From banks	-	-	-	-	*198,515,435*	*198,515,435*
	-	-	-	-	*198,515,435*	*198,515,435*

Details of long term borrowings

Particulars	**Effective interest rate**	**Terms of repayment**
Term loans from banks	Base rate + applicable spread	Repayable in 162 monthly instalments from Oct 2006 to March 2020 at specified amounts

Nature of security for term loans

i) Mortgage of title deed of immovable property being flat located at Coimbatore

ii) Hypothecation of movable properties, assignment of project documents, insurance policies, investments, receivables and general assets

Presentation of Long term borrowings in the Balance Sheet is as follows:

Particulars	**As at March 31, 2019** ₹	*As at March 31, 2018* ₹
Long term borrowings [Refer note]	**-**	*198,515,435*
Current maturities of long term borrowings [Refer note 12]	**198,214,857**	*195,000,000*

NOTES FORMING PART OF ACCOUNTS (Contd.)

12. OTHER FINANCIAL LIABILITIES

Particulars	**As at March 31, 2019**			*As at March 31, 2018*		
	Current ₹	**Non current ₹**	**Total ₹**	*Current ₹*	*Non current ₹*	*Total ₹*
a) Deposits received		**1,459,800**	**1,459,800**		*1,393,800*	*1,393,800*
b) Current maturities of long term borrowings	**198,214,857**	**-**	**198,214,857**	*195,000,000*	*-*	*195,000,000*
c) Other liabilities [refer note H(10)]	**1,396,976,329**		**1,396,976,329**	*1,237,870,338*		*1,237,870,338*
	1,595,191,186	**1,459,800**	**1,596,650,986**	*1,432,870,338*	*1,393,800*	*1,434,264,138*

13. PROVISIONS

Particulars	**As at March 31, 2019**			*As at March 31, 2018*		
	Current ₹	**Non current ₹**	**Total ₹**	*Current ₹*	*Non current ₹*	*Total ₹*
Provision for employee benefits	-		-	*127,833*		*127,833*
Provisions for major maintenance reserve	**150,059,002**		**150,059,002**	*120,292,039*		*120,292,039*
Others			-			-
	150,059,002	**-**	**150,059,002**	*120,419,872*	*-*	*120,419,872*

14. OTHER CURRENT LIABILITIES

Particulars	**As at March 31, 2019**			*As at March 31, 2018*		
	Current ₹	**Non current ₹**	**Total ₹**	*Current ₹*	*Non current ₹*	*Total ₹*
i) Statutory payables	**768,669**	**-**	**768,669**	*1,210,997*	*-*	*1,210,997*
	768,669	**-**	**768,669**	*1,210,997*	*-*	*1,210,997*

15. TRADE PAYABLES

Particulars	**As at March 31, 2019 ₹**	*As at March 31, 2018 ₹*
Due to related parties	**758,886**	*7,956,586*
Due to others	**5,545,014**	*826,756*
	6,303,900	*8,783,342*

16. CURRENT TAX LIABILITIES (NET)

Particulars	**As at March 31, 2019 ₹**	*As at March 31, 2018 ₹*
Liabilities for current tax (net)	-	-
Less: Tax Deducted at Source / Advance tax paid	-	-
Income tax net of previous year provisions	-	-
	-	-

F. CONTINGENT LIABILITIES

The company has not provided in books of account an amount of ₹ 13,51,93,315 (P.Y. ₹ 2,14,93,958) which is in the contingent nature, towards Interest on the amount of Arbitration award amount received upto 31st Mar. 2019.

G. CAPITAL COMMITMENTS

Capital commitments as at March 31, 2019 is ₹ 55,01,661 for construction of office buildings (previous year: ₹ NIL)

NOTES FORMING PART OF ACCOUNTS (Contd.)

17. REVENUE FROM OPERATIONS

Particulars		**2018-19**		*2017-18*
	₹	₹	₹	₹
Operating revenue:				
Toll Collections		**316,250,079**		*301,007,147*
Other operating revenue:				
License fee from wayside amenities & others		**3,825,329**		*2,858,696*
		320,075,408		*303,865,843*

18. OTHER INCOME

Particulars		**2018-19**		*2017-18*
	₹	₹	₹	₹
Interest income from:				
Bank deposits	**49,257,497**		*18,061,507*	
Interest income from others	**14,054**		*336,285*	
		49,271,551		*18,397,792*
Net gain/(Loss) on sale of current investment and FVTPL		**67,972,735**		*95,971,272*
Profit/(loss) on disposal of fixed assets		**3,295**		*129,999*
Miscellaneous income		**67,965**		*125,161*
		117,315,546		*114,624,224*

19. OPERATING EXPENSE

Particulars		**2018-19**		*2017-18*
	₹	₹	₹	₹
Toll Management fees		**41,746,001**		*38,290,269*
Security services		**20,969,395**		*23,454,374*
Insurance		**673,798**		*772,356*
Repairs and maintenance				
Toll road & bridge	**7,951,252**		*8,552,747*	
Plant and machinery	**2,505,391**		*1,990,223*	
Periodic major maintenance	**29,766,963**		*46,603,000*	
Others	**5,258,112**		*1,099,008*	
		45,481,718		*58,244,978*
Power and fuel		**2,283,468**		*2,090,811*
		111,154,380		*122,852,788*

20. EMPLOYEE BENEFIT EXPENSES

Particulars		**2018-19**		*2017-18*
	₹	₹	₹	₹
Salaries, wages and bonus		**8,033,471**		*9,363,808*
Contributions to and provisions for:				
Provident fund	**468,632**		*539,748*	
Gratuity	**356,753**		*486,389*	
Compensated absences	**200,458**		*3,433*	
Others	**16,248**		*32,496*	
		1,042,091		*1,062,066*
Staff welfare expenses		**1,333,983**		*1,262,810*
		10,409,545		*11,688,684*

NOTES FORMING PART OF ACCOUNTS (Contd.)

21. FINANCE COSTS

Particulars	2018-19		*2017-18*	
	₹	₹	₹	₹
Interest on borrowings		**31,887,699**		*52,591,387*
Other borrowing cost		**3,364**		*343,562*
Bank guarantee charges		**10,915,887**		*9,844,044*
Unwinding of discount and implicit interest expense on fair value		**5,900**		*6,087,743*
Claim for reimbursement of expenses		-		*3,101,578*
		42,812,850		*71,968,314*

22. ADMINISTRATION AND OTHER EXPENSES

Particulars	2018-19		*2017-18*	
	₹	₹	₹	₹
Rent, Rates and taxes		**39,550**		*17,152*
Professional fees (Refer note (a) below)		**11,770,490**		*26,795,355*
Postage and communication		**607,114**		*380,782*
Printing and stationery		**832,960**		*535,078*
Travelling and conveyance		**841,652**		*1,143,547*
Corporate social responsibility expenses (Refer note (b) below)		**7,548,333**		*2,813,172*
Repairs and Maintenance - Others		**1,063,126**		*894,793*
Miscellaneous expenses		**1,718,037**		*1,582,824*
		24,421,262		*34,162,703*

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

Particulars	2018-19	*2017-18*
	₹	₹
a) As auditor	**374,060**	*489,060*
b) For other services	**100,300**	*100,300*
c) Reimbursement of expenses	**56,889**	*83,264*
Total	**649,249**	*790,624*

(b) Details of Corporate social responsibility expenditure

(i) The amount required to be spent by the company on Corporate Social Responsibility (CSR) related activities during the year is ₹ 30,82,543 (previous year ₹ 31,20,322)

(ii) The details of amount recognized as expense in the Statement of Profit or Loss under Note 22 above on CSR related activities is follows

(iii) Unspend CSR expenses of prior years is also accumulated and spent during the year.

Particulars	₹ Paid in cash	₹ Not paid in cash	₹ Total
Amount spent during the year ending on 31st March, 2019 :			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	**7,548,333**		**7,548,333**
	7,548,333	-	**7,548,333**
Amount spent during the year ending on 31st March, 2018 :			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	*2,813,172*		*2,813,172*
	2,813,172	-	*2,813,172*

23 OTHER COMPREHENSIVE INCOME/(EXPENSE)

Particulars	2018-19		*2017-18*	
	₹	₹	₹	₹
Reclassifiable to profit or loss in subsequent periods		-		-
Not reclassifiable to profit or loss in subsequent periods				
Re-estimation of provision for defined benefit plan	**242,040**		*217,169*	
Less: Tax on the adjustment	**99,438**		-	
		341,478		*217,169*
		341,478		*217,169*

NOTES FORMING PART OF ACCOUNTS (Contd.)

1. **Corporate Information**

   L&T Transportation Infrastructure Limited is a Special Purpose Vehicle (SPV) incorporated for the purpose of the construction of a bypass and a bridge over the River Noyyal (known as Athupalam bridge) in Coimbatore District in the state of Tamil Nadu, under Build, Operate and Transfer (BOT) basis based on the Concession Agreement dated 3rd October 1997 with Ministry of Surface Transport, Government of India and Department of Highways, Government of Tamil Nadu. The Company had completed construction of the Athupalam bridge on December 11, 1998 and the bypass on January 18, 2000. The concession period is 21 years for Athupalam bridge and 32 years for the bypass including the construction period.

   During the year the concession period of Athupalam bridge had got over and it had been handed over to MoRTH on 02/12/2018

2. The Company has not earned any income/incurred any expenditure in foreign currency during the year. (previous year: ₹ Nil)

3. **Disclosure pursuant to Ind AS 19 "Employee benefits":**

   (i) Defined contribution plan:

   An amount of ₹ 4,68,632 (previous year : ₹ 5,39,748) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense (Note 20) in the Statement of Profit and Loss.

   (ii) Defined benefit plans: Gratuity Plan

   a) Characteristics of its defined benefit plans and risks associated with them

i	Benefits offered	15/26 × Salary × Duration of Service
ii	Salary definition	Basic Salary including Dearness Allowance (if any)
iii	Benefit ceiling	Benefit ceiling of Rs. 20,00,000 was not applied
iv	Vesting conditions	5 years of continuous service (Not applicable in case of death/disability)
v	Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
vi	Retirement age	58 Years

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

Particulars	**As at March 31, 2019** ₹	*As at March 31, 2018* ₹
A) Present value of defined benefit obligation		
- Wholly funded	**2,344,827**	*2,168,553*
- Wholly unfunded	**-**	*-*
	2,344,827	*2,168,553*
Less : Fair value of plan assets	**2,712,748**	*2,097,696*
Amount to be recognised as liability or (asset)	**(367,921)**	*70,857*
B) Amounts reflected in the Balance Sheet		
Liabilities	**(367,921)**	*70,857*
Assets	**-**	*-*
Net Liability / (asset)	**(367,921)**	*70,857*

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

Particulars		**As at March 31, 2019** ₹	*As at March 31, 2018* ₹
1	Current service cost	**357,030**	*192,270*
2	Interest on Defined benefit obligation	**(277)**	*16,447*
		356,753	*208,717*

   d) Remeasurement recognized in other comprehensive income

Particulars	**As at March 31, 2019** ₹	*As at March 31, 2018* ₹
Components of actuarial gain/losses on obligations		
Due to change in financial assumptions	**24,041**	*(53,602)*
Due to change in demographic assumption		*-*
Due to experience adjustments	**(355,827)**	*(156,197)*
Return on plan assets excluding amounts included in interest income	**(9,692)**	*(7,370)*
	(341,478)	*(217,169)*

NOTES FORMING PART OF ACCOUNTS (Contd.)

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

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Opening defined benefit obligation	2,168,553	2,453,452
Current service cost	357,030	192,270
Interest cost	151,030	162,808
Actuarial losses/(gains)		
Due to change in financial assumptions	24,041	(53,602)
Due to change in demographic assumption		-
Due to experience adjustments	(355,827)	(156,197)
Benefits paid	-	(430,178)
Closing balance of the present value of defined benefit obligation	2,344,827	2,168,553

f) The changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Opening balance of fair value of plan assets	2,097,696	2,120,675
Interest Income	151,307	146,361
Return on plan assets excluding amounts included interest income	9,692	7,370
Contribution by employer	454,053	253,468
Contribution by plan participants	-	-
Benefits paid	-	(430,178)
Closing balance of fair value of plan assets	2,712,748	2,097,696

g) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
1) Discount rate	7.15%	7.30%
2) Salary growth rate	6.00%	6.00%
3) Attrition rate	3% to 15% based on age band	3% to 15% based on age band

h) A quantitative sensitivity analysis for significant assumption as at 31 March 2019

Particulars	As at March 31, 2019		As at March 31, 2018	
	Change	Obligation	Change	Obligation
i) Discount rate	+0.5%	2,266,152	+0.5%	2,095,511
	-0.5%	2,427,795	-0.5%	2,245,781
ii) Salary growth rate	+0.5%	2,428,315	+0.5%	2,246,377
	-0.5%	2,264,954	-0.5%	2,094,297

i) The major categories of plan assets of the fair value of the total plan assets are as follows :

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Managed by the insurer	2,712,748	2,097,696
Total	2,712,748	2,097,696

4 **Disclosure pursuant to Ind AS 23 "Borrowing Costs"**

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

5 **Disclosure of segment information pursuant to Ind AS 108 "Operating Segments"**

The Company is engaged in the business of construction, operation and of Toll road projects on Build, Operate and Transfer (BOT) basis, which is the Company's only reporting segment. Further, the entire operations of the Company are only in India. Hence, disclosure of secondary / geographical segment information does not arise.

NOTES FORMING PART OF ACCOUNTS (Contd.)

6 Disclosure of related parties / related party transactions pursuant to Accounting Standard (IND AS) 24 "Related Party Disclosures"

a) List of related parties

Holding Company :	L&T Infrastructure Development Projects Limited
Ultimate Holding Company :	Larsen & Toubro Limited
Fellow Subsidiaries :	L&T Chennai – Tada Tollway Limited
	L&T Samakhiali Gandhidham Tollway Ltd
	L&T Deccan Tollways Limited
	Devihali Hassan Tollway Ltd. (upto 04/05/2018)
Associates	International Seaports (Haldia) Pvt. Ltd.
Key Managerial personnel	Sathish Kumar K.V. (Upto 19/12/2018)
	Suresh Sankar Narayanan (w.e.f.15/03/2019)
Chief Financial Officer	U. Poovarasan

b) Disclosure of related party transactions:

Particulars	**2018-19 (₹)**	**2017-18 (₹)**
Holding Company		
L&T Infrastructure Development Projects Limited		
• Purchase of goods and services	**6,337,884**	17,740,938
• Reimbursement of expenses to	**10,915,887**	9,786,544
• Reimbursement of expenses from	**162,516**	189,017
• Advance Paid for Purchase of Shares	**-**	420,000,000
• Purchase of investments of International Seaports (Haldia) Pvt. Ltd.	**167,100,000**	-
Ultimate Holding Company		
Larsen & Toubro Limited		
• Purchase of goods and services	**933,173**	1,309,623
• Reimbursement of expenses to	**100,102**	739,304
L&T Devihalli Hassan Tollway Ltd.		
• Purchase of assets	**-**	3
L&T Samakhiali Gandhidham Tollway Ltd.		
• Unsecured Loan	**370,000,000**	149,300,000
L&T Deccan Tollways Limited		
• Unsecured Loan given	**-**	1,235,000,000
• Unsecured Loan received back	**-**	655,000,000
International Seaports (Haldia) Pvt. Ltd.		
• Dividend received during the year	**14,745,000**	-
Key Management personnel		
Payment of Salaries / Perquisites		
• Sathish Kumar K.V.	**-**	1,429,227
• Suresh Sankarnarayanan	**20,385**	-

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

(Amount in ₹)

Particulars	**Amounts due (to)/from**	
	As at March 31,2019	**As at March 31,2018**
Holding Company		
L&T Infrastructure Development Projects Limited	**419,379,109**	*412,735,398*
Ultimate Holding Company		
Larsen & Toubro Limited	**(129,030)**	*(683,016)*
Fellow Subsidiaries		
L&T Chennai Tada Tollways Limited	**(8,968)**	*(8,968)*
L&T Samakhiaki Gandhidam Tollway LTD	**519,300,000**	*149,300,000*
L&T Deccan Tollways Limited	**580,000,000**	*580,000,000*

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

NOTES FORMING PART OF ACCOUNTS (Contd.)

7 Disclosure pursuant to Ind AS 12 - "Income taxes"

The major components of income tax expense for years ended 31 March 2019 and 31 March 2018 are :

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Current income Tax :		
Current income tax charge	**74,650,000**	*49,097,000*
Adjustments of current tax of previous year	(67,87,982)	-
Deferred Tax		
Relating to origination and reversal of temporary differences	**477,181**	*2,147,043*
Relating to rate change or imposition of new taxes	**1,331,153**	
MAT Credit entitlement	-	*(37,054,585)*
Income tax reported in the statement of profit and loss	**69,670,352**	*14,189,458*

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2018:

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Accounting profit before tax from continuing operations	**207,865,055**	*141,498,509*
At India's Statutory income tax rate of 29.12% (31 March 2018 - 28.84%)	**59,948,282**	*40,808,170*
Change in profits on account of translational adjustments	-	
Deductions under chapter VI of Income Tax Act	-	-
MAT credit entitlement	**(6,787,982)**	*(37,054,585)*
Adjustments towards temporary differences	**1,808,334**	*2,147,043*
Other non deductible expenses	**14,701,718**	*8288829.605*
Tax as per Statement of Profit and Loss	**69,670,352**	*14,189,458*

Deferred Tax

Major components of Deferred tax liabilities and assets

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Property, plant and equipment	**(135,083,390)**	*(140,313,648)*
Provisions - Major maintenance	**(3,244,259)**	*(31,136)*
Investments at fair value through profit or loss	**(3,294,584)**	*(6,013,677)*
Borrowings	**(612)**	*(2,307)*
Provisions - employee benefits	**(111,603)**	-
Provision for doubtful trade receivables	-	-
Increase in MAT Credit	**(6,419,374)**	-
MAT Credit Entitlement	**173,424,738**	*196,010,375*
Net Deferred Tax Assets/ (Liabilities)	**25,270,917**	*49,649,607*

8. 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		**2018-19**	*2017-18*
Basic and Diluted		₹	₹
Profit after tax as per accounts (₹)	A	**138,194,703**	*127,309,051*
Weighted average number of shares outstanding	B	**41,400,000**	*41,400,000*
Basic and Diluted EPS (₹)	A / B	**3.34**	*3.08*
Face value per equity share (₹)		**10.00**	*10.00*

9. 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 a hence no provision for impairment is made for the year.

NOTES FORMING PART OF ACCOUNTS (Contd.)

10. Disclosures as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent assets"

a) Nature of provisions :

Major maintenance provision

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

For this purpose, a regular maintenance along with periodic 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 industry practice, the periodic maintenance is expected to occur after 5-7 years. The maintenance cost/bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually.

The company expects to incur the expenditure during the year 2019-20"

b) Movement in provisions :

Particulars	**Major maintenance provision**	
	2018-19	*2017-18*
	₹	₹
Opening balance	**120,292,039**	*67,610,582*
Additional provision	**29,766,963**	*46,603,000*
Unwinding of discount and changes in discount rate	**-**	*6,078,457*
Total (Closing balance)	**150,059,002**	*120,292,039*

c) Contingent liabilities :

The company has not provided in books of account an amount of ₹ 13,51,93,315 which is in the contingent nature, towards Interest on the amount of Arbitration award amount received upto 31st Mar. 2019.

d) Contingent assets :

Arbitration with MoRTH

During the year 2009-10, the Company had received a termination notice from the Ministry of Road Transport and Highways, Government of India, (MoRTH). The Company moved the honourable High Court, New Delhi, against the notice served and the court vide its order dated January 21, 2010, directed that status-quo be maintained till the Steering Group constituted under the Concession Agreement decides on the dispute.

The matter was further adjourned thrice and is now posted for hearing on July 10, 2018

"MoRTH has approved the Fee revision on 08th Jan. 2018 and the same has been implemented from 22nd Jan. 2018.

The company had collected an amount of ₹17,29,52,530/- between 22nd Jan. 2018 to 31st Mar. 2019 towards the difference between the pre-revised fee and Post revised fee from the Toll Users and included in Other Current Liabilities. This amount would be refunded to MoRTH in the event that the case referred in the point no.10(d) is favorable to them. In the event, the Company wons the referred case, the same would be offered to Statement of Profit and Loss Account".

Amount net of TDS along with the additional toll revenue collected is presented as other liabilities under other financial liabilities.

The matter was last listed on 25.02.2019 and the same has been adjourned to 12.04.2019 for final arguments on Section 34 application.

Subsequent to the Steering Group's meeting, the Company invoked arbitration and pending arbitration filed a petition with the High Court of Delhi, seeking interim injunction and restraining MoRTH, from taking possession of the Project and to permit the Company to collect Toll. The High Court in its order dated March 26, 2010, restrained MoRTH from taking over the possession of the project except through the due process of courts and law thereby allowing the Company to continue to collect Toll.

Arbitral Tribunal has been constituted as per the terms of the Concession Agreement. Pleadings and arguments by both parties concluded on November 30, 2013 following which written submissions have been filed with the Arbitral Tribunal. Arbitral Tribunal has pronounced the Award on December 12, 2014 in favour of the Company stating that the termination of Concession by MORTH is illegal, unwarranted and violative of stipulations in the Concession Agreement. The Tribunal also awarded, inter alia, compensation to be paid to the Company for loss of revenue at Athupalam Bridge and suitable extension of the concession period.

MoRTH has challenged the award on March 12, 2015 seeking stay of the aforesaid Tribunal award and the case has been moved to Commercial Appelliate Court of the Delhi High Court during the year. The matter was heard and was transferred to the division of Court set up for hearing cases filed under Section 34 of the Arbitration and Conciliation Act 1996. The case was due for hearing on February 21, 2017 and was adjourned till May 18, 2017.

The matter was further adjourned thrice and is now posted for hearing on July 10, 2018

NOTES FORMING PART OF ACCOUNTS (Contd.)

Meanwhile pursuant to the decisions taken by the Cabinet Committee on Economic Affairs (CCEA) for the revival of construction sector, the NITI Aayog had issued OM No 14070/14/2016 PPPAU dated 5th September 2016 titled “Measures to revive the Construction Sector” which requires the work executing agencies to pay an amount equal to 75% of the total pay-out in cases where the Arbitral Awards are passed in favour of the Concessionaire against a bank guarantee without prejudice to the rights and stand of the Agency and subject to the final order of the court in the matter under challenge. In case the legal challenge is settled in favour of the Agency, it would be entitled to recover the said amount along with interest. Accordingly a sum of Rs. 117.28 crores has been received from GOI towards 75% of the arbitral award against a bank guarantee provided by the Company.

11. Disclosure as per Ind AS 1 - “Presentation of Financial Statements”

For the purpose of the company’s capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company’s capital management is to maximise the shareholder value.

(Ind AS 1 requires the company to make quantitative and qualitative disclosures regarding objectives policies and processes for managing capital. Also, if comparitive amounts are reclassified, nature amount and reason to be disclosed and not just the fact of reclassification.)

12. Disclosure pursuant to Ind AS 17 - “ Leases”

The Company has not acquired any assets either under Finance lease or under Operating lease. Hence disclosures pertaining to Ind AS 17 “Leases” are not applicable.

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified new Ind AS on leases, Indian Accounting Standard (Ind AS) 116 which is applicable from 01/04/2019.

However, there is no impact because of this change in the standard.

13. Financial Instruments

Disclosure of Financial Instruments by Category

Financial instruments by categories	**Note no.**	**As at March 31, 2019**			*As at March 31, 2018*		
		FVTPL	**FVTOCI**	**Amortized cost**	*FVTPL*	*FVTOCI*	*Amortized cost*
Financial asset							
Security Deposits	4	**-**	**-**	**697,219**	-	-	*683,165*
Investments	7	**399,634,739**	**-**	**-**	*809,661,820*	-	-
Investments in associates	7	**152,365,000**	**-**	**-**	-	-	-
Cash and cash equivalents	8	**-**	**-**	**129,826,038**	-	-	*361,721,958*
Other bank and bank balance	8	**-**	**-**	**978,205,873**	-	-	*671,357,988*
Other Current Financial Asset	4	**-**	**-**	**12,666**	-	-	*11,369*
Receivable from NHAI	4	**-**	**-**	**82,035**	-	-	*4,120,549*
Unsecured loan to related parties	4	**-**	**-**	**1,099,300,000**	-	-	*729,300,000*
Total Financial Asset		**551,999,739.00**	**-**	**2,208,123,831**	*809,661,820*	-	*1,767,195,029*
Financial liability							
Term Loan from Banks	11	**-**	**-**	**-**	-	-	*198,515,435*
Other Current Financial Liabilities	12	**-**	**-**	**1,595,191,186**	-	-	*1,432,870,338*
Other non Current Financial Liabilities	12	**-**	**-**	**1,459,800**	-	-	*1,393,800*
Trade Payables	15	**-**	**-**	**6,303,900**	-	-	*8,783,342*
Total Financial Liabilities		**-**	**-**	**1,602,954,886**	-	-	*1,641,562,915*

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.)

14. Fair value of Financial asset and liabilities at amortized cost

Particular	Note no.	As at March 31, 2019		*As at March 31, 2018*	
		Carrying amount	Fair value	*Carrying amount*	*Fair value*
Financial Assets					
Security Deposits	4	**697,219**	**697,219**	*683,165*	*683,165*
Cash and cash equivalents	8	**129,826,038**	**129,826,038**	*361,721,958*	*361,721,958*
Other bank and bank balance	8	**978,205,873**	**978,205,873**	*671,357,988*	*671,357,988*
Other Current Financial Asset	4	**12,666**	**12,666**	*11,369*	*11,369*
Receivable from NHAI	4	**82,035**	**82,035**	*4,120,549*	*4,120,549*
Unsecured loan to related parties	4	**1,099,300,000**	**1,099,300,000**	*729,300,000*	*729,300,000*
Total Financial Assets		**2,208,123,831**	**2,208,123,831**	*1,767,195,029*	*1,767,195,029*
Financial liability					
Term Loan from Banks	11	**-**	**-**	*198,515,435*	*198,515,435*
Other Current Financial Liabilities	12	**1,595,191,186**	**1,595,191,186**	*1,432,870,338*	*1,432,870,338*
Other non Current Financial Liabilities	12	**1,459,800**	**1,459,800**	*1,393,800*	*1,393,800*
Trade Payables	15	**6,303,900**	**6,303,900**	*8,783,342*	*8,783,342*
Total Financial Liabilities		**1,602,954,886**	**1,602,954,886**	*1,641,562,915*	*1,641,562,915*

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 approximate fair value as the instruments are at prevailing market rate.

15 Fair Value Measurement

Fair Value Measurement of Financial asset and Financial liabilities

Fair value hierarchy

As at March 31, 2019

Financial Asset & Liabilities Measured at FV - Recurring FVM	Note No.	Level 1	Level 2	Level 3	Total
Financial asset measured at FVTPL					
Investments in Mutual Funds	7	**399,634,739**	**-**	**-**	**399,634,739**
Investments in associates	7	**152,365,000**	**-**	**-**	**152,365,000**
Total of Financial Assets		**551,999,739**	**-**	**-**	**551,999,739**
Financial Liabilities measured at FVTPL		-	-	-	-
Total of Financial Liabilities		-	-	-	-

Financial Asset & Liabilities 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	4	**697,219**	**-**	**-**	**697,219**
Other Current Financial Asset	4	**12,666**	**-**	**-**	**12,666**
Receivable from NHAI	4	**82,035**	**-**	**-**	**82,035**
Unsecured loan to related parties	4	**1,099,300,000**	**-**	**-**	**1,099,300,000**
Total of Financial Assets		**1,100,091,920**	**-**	**-**	**1,100,091,920**
Financial Liabilities					
Term Loan from Banks	11	-	-	-	-
Other Current Financial Liabilities	12	-	**1,595,191,186**	**-**	**1,595,191,186**
Other Non Current Financial Liabilities	12		**1,459,800**		**1,459,800**
Total Financial liabilities		-	**1,596,650,986**	**-**	**1,596,650,986**

NOTES FORMING PART OF ACCOUNTS (Contd.)

As at March 31, 2018

Financial Asset & Liabilities Measured at FV - Recurring FVM	Note No.	Level 1	Level 2	Level 3	Total
Financial asset measured at FVTPL					
Investments in Mutual Funds	7	**809,661,820**	**-**	**-**	**809,661,820**
Total of Financial Assets		**809,661,820**	**-**	**-**	**809,661,820**
Financial Liabilities measured at FVTPL		-	-	-	-
Total of Financial Liabilities		-	-	-	-

Financial Asset & Liabilities 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	4	**683,165**	**-**	**-**	**683,165**
Other Current Financial Asset	4	**11,369**	**-**	**-**	**11,369**
Receivable from NHAI	4	**4,120,549**	**-**	**-**	**4,120,549**
Unsecured loan to related parties	4	**729,300,000**	**-**	**-**	**729,300,000**
Other bank and bank balances	**8**	**671,357,988**			**671,357,988**
Cash and Cash Equivalents	**8**	**361,721,958**			**361,721,958**
Total Financial Assets		**1,767,195,029**	**-**		**1,767,195,029**
Financial Liabilities					
Term Loan from Banks	11	-	**198,515,435**	**-**	**198,515,435**
Other Current Financial Liabilities	12	-	**1,432,870,338**	**-**	**1,432,870,338**
Other Non Current Financial Liabilities	12		**1,393,800**	**-**	**1,393,800**
Total Financial Liabilities		-	**1,632,779,573**	**-**	**1,632,779,573**

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
Investments in associates	At cost	Networth of the investee
Security deposit	Income	Cash flow
Financial liabilities		
Term Loan from Banks	Income	Effective rate of borrowing
Other Current Financial Liabilities	Income	Effective rate of borrowing

16 Asset pledged as security

Particulars	**Note no.**	**31.03.2019**	*31.03.2018*
Non Financial Asset			
Property, Plant & Equipment	**1**	**12,119,169**	*8,354,930*
Capital work-in-progress	**2**	-	-
Financial Asset			
Security Deposit	4	**697,219**	683,165
Investments	**7**	**399,634,739**	*809,661,820*
Investment in associate	7	**152,365,000**	-
Cash and cash equivalents	8	**129,826,038**	361,721,958
Other bank and bank balances	**8**	**978,205,873**	*671,357,988*
Other Currecnt Financial Asset	**4**	**12,666**	*11,369*
Receivable from NHAI	4	**82,035**	4,120,549
Unsecured loan to related parties	4	**1,099,300,000**	729,300,000
TOTAL		**2,772,242,739**	***2,585,211,779***

NOTES FORMING PART OF ACCOUNTS (Contd.)

17 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.

A) 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 or no material payables 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, which is an inherent business risk.

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

Particulars	**31.03.2019 (₹)**	*31.03.2018(₹)*
Senior Debt from Banks - Variable rate borrowings	**198,214,857**	*393,515,435*

Sensitivity analysis based on average outstanding Senior Debt

Interest Rate Risk Analysis	**Impact on profit/ loss after tax**	
	FY 2018-19	*FY 2017-18*
Increase or decrease in interest rate by 25 basis points	**739,663**	*1,227,828*

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 is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss.

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.**	**31.03.2019** ₹	*31.03.2018* ₹
Investments in Mutual Funds	**7**	**399,634,739**	*809,661,820*

Sensitivity Analysis

	Impact on profit/ loss after tax	
	31.03.2019	*31.03.2018*
Increase or decrease in NAV by 1%	**3,996,347**	*8,096,618*

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

B) 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

NOTES FORMING PART OF ACCOUNTS (Contd.)

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, 2019	**Carrying Amount**	**upto 1 year**	**1 – 2 years**	**2 – 5 years**	**> 5 years**
Non Derivative Financial Liability					
Senior Debt from Banks	**198,214,857**	**198,214,857**	**-**	**-**	**-**
Trade Payables	**6,303,900**	**6,303,900**	**-**	**-**	**-**
Derivative Financial Liability	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
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	*393,515,435*	*195,000,000*	*195,000,000*	*3,515,435*	-
Trade Payables	*8,783,342*	*8,783,342*	-	-	-
Derivative Financial Liability	***NIL***	***NIL***	***NIL***	***NIL***	***NIL***

C) 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.

18. Disclosure pursuant to Appendinx - A to Ind AS 11 - " Service Concession Arrangements"

18.1 Description and classification of the arrangement

L&T Transportation Infrastructure Limited is a Special Purpose Vehicle (SPV) incorporated for the purpose of the construction of a bypass and a bridge over the River Noyyal (known as Athupalam bridge) in Coimbatore District in the state of Tamil Nadu, under Build, Operate and Transfer (BOT) basis based on the Concession Agreement dated 3rd October 1997 with Ministry of Surface Transport, Government of India and Department of Highways, Government of Tamil Nadu. The Company had completed construction of the Athupalam bridge on December 11, 1998 and the bypass on January 18, 2000. The concession period is 21 years for Athupalam bridge and 32 years for the bypass including the construction period. As per the CA, the company is entitled to charge users of the usage of the road asset, hence the service arrangement has been classified as Intangible Asset.

During the year December 2018 the concession period of Athupalam bridge had got over and it had been handed over to MoRTH on 02/12/2018

18.2. Significant Terms of the arrangements

i) Revision of Fees:

Fees shall be revised annually on April 01 subject to the provisions Clause 1.2.1 of Section II of the Concession Agreement (CA) dated October 03, 1997

ii) Rights of the Company for use Project Highway

a) To demand, collect and appropriate, Fee from vehicles and persons 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.

iii) Obligation of the Company

a) The company 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 maintenance of Project Highway as per Clause 7.5.5 of Section I of the CA

iv) 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.

v) Details of Termination

CA can be terminated on account of default of the company or MoRTH in the circumstances as specified under Clause 16 of Section I of the CA.

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements upto to the year ended 31 March 2015 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.

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of defined benefit obligations
Assets held for sale	fair value less costs to sell

(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.

(d) Measurement of fair values

A number of the accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date
- Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs)."

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.

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

b) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate. Interest Income on non-performing assets is recognised upon realization, as per guidelines issued by the Reserve Bank of India.

c) License fees for way-side amenities are accounted on accrual basis.

d) Fair value gains on current investments carried at fair value are included in other income.

e) Dividend income is recognised when the right to receive the same is established by the reporting date.

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

4 Cash and bank balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term 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.

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.

Depreciation on additions/deductions is calculated pro-rata from/to the month of additions/deductions. For the assets that are transferred/sold within the group companies, depreciation is calculated up to the month preceding the month of transfer/sale within the group.

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:	
Toll equipment	7
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

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Category of Property, plant and equipment	**Estimated useful life (in years)**
Other office equipments	5
Computers:	
Servers and systems	6
Desktops, laptops, etc,	3
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.

For transition to IndAS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 01, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets valued below Rs. 5,000/- are written off in the year of purchase/capitalisation.

7 Amortisation of intangible assets

Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortisation method prescribed under Schedule II to the Companies Act, 2013. Under the revenue based method, amortisation is provided based on proportion of actual revenue earned till the end of the year to the total projected revenue from the intangible asset expected to be earned over the concession period. Total projected revenue is reviewed at the end of each financial year and is adjusted to reflect the changes in earlier estimate vis-a-vis the actual revenue earned till the end of the year so that the whole of the cost of the intangible asset is amortised over the concession period.

For transition to IndAS, the Company has availed the option to continue with the Revenue based amortisation method prescribed under Schedule II to the Companies Act, 2013 for toll collection rights recognised under service concession arrangements recognised for the period ending immediately before the beginning of the first IndAS reporting period as per the previous GAAP.

8 Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

9 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 Highways Authority of India (“NHAI”)/State authorities, 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.

Unconditional right to receive cash obtained in consideration for rendering construction services, represent the right to receive specified annuity amounts from the MoRTH during the concession period in respect of Build-Operate-Transfer (“BOT”) projects undertaken by the Group. Such unconditional right to receive cash is capitalised as financial assets upon initial recognition at the cumulative construction costs plus obligation towards negative grants and additional concession fee payable toMoRTH/State authorities, 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 MoRTH State authorities are reduced from the carrying amount intangible assets to the extent of actual receipts.

Extension of concession period by the authority in compensation of claims made are capitalised as part of Toll Collection Rights at the time of admission of the claim or when there is a contractual right to extension at the estimated amount of claims admitted or computed based on average collections whichever is more evident.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

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

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

10 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:

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

11 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 non current investments.

Investment in associate companies is recognised using FVTPL

12 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.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

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.

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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.

13 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. 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.

14 Segment reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are as per Indian Accounting Standard 108 “Operating Segments” (IND AS 108) read with SEBI’s circular dated 05 July 2016. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. The identification of operating segments and reporting of amounts is consistent with performance assessment and resource allocation by the management.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under ‘unallocated revenue / expenses / assets / liabilities’.

15 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.

16 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 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.

17 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

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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 and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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.

18 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.

19 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.

Contingent liabilities are disclosed in notes in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or a present obligation arising from past events, when no reliable estimate is possible . Contingent assets are disclosed in the financial statements where an inflow of economic benefits are probable.

20 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 (unless the same are designated as fair value through profit or loss (FVTPL)):

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

- 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.

A financial asset is primarily derecognised when :

i. the rights to receive cash flows from the asset have expired, or

ii. the group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and with a) the group has transferred substantially all the risks and rewards of the asset, or b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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, lease receivables, trade receivables 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.

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

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

22 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.

23 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.

24 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 attached

For and on behalf of the Board of Directors

For M.K.Dandeker & Co.
Chartered Accountants
(Firm's Registration No.: 000679S)
By the hand of

S. Poosaidurai	**U. POOVARASAN**	**K. SRINATHAN**	**R. G. RAMACHANDRAN**	**K. C. RAMAN**
Partner	*Chief Financial Officer*	*Company Secretary*	*Director*	*Director*
Membership No.: 223754			*DIN : 02671982*	*DIN : 07763969*

Place: Chennai
Date: 12/04/2019

Place: Chennai
Date: 12/04/2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF M/S. L & T TRANSPORTATION INFRASTRUCTURE LIMITED

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

OPINION

We have audited the Consolidated Ind AS financial statements of L & T Transportation Infrastructure Limited ("the Group Company"), and its associates which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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, of the consolidated state of affairs of the Company as at March 31, 2019, and consolidated profit, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Group's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flow of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Group Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the Companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We did not audit the Ind AS financial statements/financial information of the M/s. International Seaports Haldia (Private) Limited (Associate Company). The consolidated financial statements also include the Group's share of net profit of Rs. 1,43,76,301/- for the year ended 31st March 2019, as considered in the consolidated financial statements, in respect of M/s. International Seaports Haldia (Private) Limited (Associate Company), whose financial statements/financial information have not been audited by us. These financial statements/financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in the respect of these associates, and our report in terms of sub-section (3) of Section 143 of the Act in so far it relates to the aforesaid associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and financial statements/financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 of the aforesaid consolidated financial statements.

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 and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the statement of Consolidated changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.

e) On the basis of the written representations received from the directors of Associate Company as on March 31, 2019 taken on record by the Board of Directors of the Associate Company and the reports of statutory auditors of associate company incorporated in India, none of the directors of Group Companies, and its Associate Companies is disqualified as on March 31, 2019 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 Group Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

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 consolidated Ind AS financial statements disclose the impact of pending litigations on the Consolidated financial position of the Group, its associates – Refer Note ‘F’ to the Consolidated Ind AS financial statements.

   ii) The Group, its associates did not have any long-term contracts including derivative contracts for which there any material foreseeable losses.

   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group, its associates.

For M. K. DANDEKER & CO.,
(ICAI Regn. No.000679S)

S. Poosaidurai
Partner
Chartered Accountants
*Membership No.*223754

Place: Chennai
Date: April 12, 2019

ANNEXURE – A TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in our Report of even date)

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

In conjunction with our audit of the Ind AS consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of L&T Transportation Infrastructure Limited (“the Holding Company”), as of March 31, 2019 and its associate company which are companied incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its associate companies and jointly controlled companies, which are companies incorporated in India, are 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 (ICAI)”. 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 the respective 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 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 Consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, 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 Consolidated Ind AS 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 Consolidated Ind AS 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 Consolidated Ind AS 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 Holding Company, its associate companies, which are companies incorporated in India, have, 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 March 31, 2019, 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one associate company, which is a company incorporated in India, is based solely on unaudited financial statements /financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the internal financial controls over financial reporting is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and financial statements/financial information certified by the Management.

For M. K. DANDEKER & CO.,
(ICAI Regn. No.000679S)

S. Poosaidurai
Partner
Chartered Accountants
Membership No.223754

Place : Chennai
Date : April 12, 2019

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2019

Particulars	Note	As at March 31, 2019 ₹	*As at March 31, 2018 ₹*
ASSETS			
Non-current assets			
a) Property, Plant and Equipment	1	**12,119,169**	*8,354,930*
b) Capital work-in-progress	2	-	-
c) Intangible assets	3	**633,908,343**	*672,319,069*
d) Financial Assets			
i) Loans and advances	4	**697,219**	*683,165*
e) Non-current investments	7	**166,741,301**	-
f) Deferred tax assets (net)	5	**25,270,916**	*49,664,887*
g) Other non-current assets	6	**14,493,883**	*9,764,966*
	A	**853,230,831**	*740,787,017*
Current assets			
a) Financial Assets			
i) Investments	7	**399,634,739**	*809,661,820*
ii) Cash and bank balances	8	**129,826,038**	*361,721,958*
iii) Other bank balances	8	**978,205,873**	*671,357,988*
iv) Loans and advances	4	**1,099,394,701**	*733,431,918*
b) Other current assets	6	**420,774,852**	*420,605,078*
	B	**3,027,836,203**	*2,996,778,762*
TOTAL	A+B	**3,881,067,034**	*3,737,565,779*
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share capital	9	**414,000,000**	*414,000,000*
b) Other Equity	10	**1,713,284,477**	*1,560,371,995*
	C	**2,127,284,477**	*1,974,371,995*
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	11	-	*198,515,435*
ii) Other financial liabilities	12	**1,459,800**	*1,393,800*
	D	**1,459,800**	*199,909,235*
Current liabilities			
a) Financial liabilities			
i) Borrowings	11	**-**	-
ii) Trade payables	15	**6,303,900**	*8,783,342*
iii) Other financial liabilities	12	**1,595,191,186**	*1,432,870,338*
b) Other current liabilities	14	**768,669**	*1,210,997*
c) Provisions	13	**150,059,002**	*120,419,872*
d) Current tax liabilities (net)	16	**-**	-
	E	**1,752,322,757**	*1,563,284,549*
Total Equity and Liabilities	C+D+E	**3,881,067,034**	*3,737,565,779*
Contingent liabilities	F		
Commitments	G		
Other notes forming part of accounts	H		
Significant accounting policies	I		

As per our report attached

For and on behalf of the Board

For M. K. Dandeker & Co.
Chartered Accountants
(Firm's Registration No.: 000679S)
By the hand of

S. POOSAIDURAI
Partner
Membership No.: 223754
Place: Chennai
Date: April 12, 2019

U. POOVARASAN
Chief Financial Officer

K. SRINATHAN
Company Secretary

R. G. RAMACHANDRAN
Director
DIN : 02671982

K. C. RAMAN
Director
DIN : 07763969

Place: Chennai
Date : April 12, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2019

Particulars	**Note**		**2018-19**	*2017-18*	
		₹	₹	₹	₹
INCOME					
Revenue from Operations	**17**		**320,075,408**		*303,865,843*
Other income	**18**		**117,315,546**		*114,624,224*
Total Income			**437,390,954**		*418,490,067*
EXPENSES					
Operating expenses	**19**		**111,154,380**		*122,852,788*
Employee benefit expenses	**20**		**10,409,545**		*11,688,684*
Finance costs	**21**		**42,812,850**		*71,968,314*
Depreciation and amortisation	**1 & 3**		**40,727,862**		*36,319,069*
Administration and other expenses	**22**		**24,421,262**		*34,162,703*
Total Expenses			**229,525,899**		*276,991,558*
Share of profit of associate			**14,376,301**		-
Profit/(loss) before tax			**222,241,356**		*141,498,509*
Tax Expense:					
Current tax		**74,650,000**		*49,097,000*	
Prior year taxes		**(6,787,982)**		-	
Deferred tax (incl MAT Credit Entitlement)		**1,808,334**		*(34,907,542)*	
			69,670,352		*14,189,458*
Profit after tax for the year			**152,571,004**		*127,309,051*
Other Comprehensive Income/ (expense)	**23**		**341,478**		*217,169*
i) Not reclassifiable to profit or loss in subsequent periods			**341,478**		*217,169*
Total Comprehensive Income for the year			**152,912,482**		*127,526,220*
Earnings per equity share (Basic and Diluted)	**H (9)**		**3.69**		*3.08*
Face value per equity share			**10.00**		*10.00*

As per our report attached

For and on behalf of the Board

For M. K. Dandeker & Co.
Chartered Accountants
(Firm's Registration No.: 000679S)
By the hand of

S. POOSAIDURAI
Partner
Membership No.: 223754
Place: Chennai
Date: April 12, 2019

U. POOVARASAN
Chief Financial Officer

K. SRINATHAN
Company Secretary

R. G. RAMACHANDRAN
Director
DIN : 02671982

K. C. RAMAN
Director
DIN : 07763969

Place: Chennai
Date : April 12, 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

S. No.	Particulars	2018-19 ₹	*2017-18 ₹*
A	**Net profit / (loss) before tax and extraordinary items**	**222,582,834**	*141,715,678*
	Adjustment for		
	Depreciation and amortisation expense	**40,727,862**	*36,319,069*
	Interest expense	**42,812,850**	*71,968,314*
	Interest income	**(49,271,551)**	*(18,397,792)*
	(Profit)/loss on sale of current investments (net)	**(67,972,735)**	*(95,971,272)*
	(Profit)/loss on sale of fixed assets	**(3,295)**	*(129,999)*
	Operating profit before working capital changes	**188,875,965**	*135,503,998*
	Adjustments for:		
	Increase / (Decrease) in provisions	**29,633,230**	*44,329,347*
	Increase / (Decrease) in trade payables	**(2,479,442)**	*(20,090,193)*
	Increase / (Decrease) in other current liabilities	**(442,328)**	*512,390*
	Increase / (Decrease) in other financial liabilities	**152,558,183**	*1,234,897,340*
	(Increase) / Decrease in long term loans and advances	**(14,054)**	*(340,095)*
	(Increase) / Decrease in short term loans and advances	**24,393,971**	
	(Increase) / Decrease in short term loans and advances	**4,038,514**	*3,050,248*
	(Increase) / Decrease in other current assets	**(344,652)**	*(3,360,966)*
	Net cash generated from/(used in) operating activities	**396,219,387**	*1,394,502,069*
	Direct taxes paid (net of refunds)	**(74,225,688)**	*(43,178,658)*
	Net Cash (used in)/generated from Operating Activities	**321,993,699**	*1,351,323,411*
B	**Cash flow from investing activities**		
	Purchase of fixed assets	**(6,081,382)**	*(6,156,327)*
	Sale of fixed assets	**3,301**	*156,717*
	Net (Purchase)/Sale of current investments	**484,613,624**	*847,266,717*
	Investments in shares of associates (Net of Dividend Received)	**(166,741,301)**	-
	Advance paid for purchase of shares	**-**	*(420,000,000)*
	Unsecured loan given	**(370,000,000)**	*(729,300,000)*
	Changes in other bank balances	**(306,847,885)**	*(671,357,988)*
	Interest received	**49,271,551**	*18,397,792*
	Net cash (used in)/generated from investing activities	**315,782,092**	*(960,993,089)*
C	**Cash flow from financing activities**		
	Repayment of long term borrowings	**(195,300,578)**	*(195,240,455)*
	Interest paid	**(42,806,950)**	*(62,778,993)*
	Net cash (used in)/generated from financing activities	**(238,107,528)**	*(258,019,448)*
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(231,895,921)**	*132,310,875*
	Cash and cash equivalents as at the beginning of the year	**361,721,958**	*229,411,083*
	Cash and cash equivalents as at the end of the year	**129,826,037**	*361,721,958*

Notes:
1. Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Cash Flow statements.
2. Cash and cash equivalents represent cash and bank balances.
3. Previous year's figures have been regrouped/reclassified wherever applicable.

As per our report attached

For and on behalf of the Board

For M. K. Dandeker & Co.
Chartered Accountants
(Firm's Registration No.: 000679S)
By the hand of

S. POOSAIDURAI
Partner
Membership No.: 223754
Place: Chennai
Date: April 12, 2019

U. POOVARASAN
Chief Financial Officer

K. SRINATHAN
Company Secretary

R. G. RAMACHANDRAN
Director
DIN : 02671982

K. C. RAMAN
Director
DIN : 07763969

Place: Chennai
Date : *April 12, 2019*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A) **Equity share capital**

Particulars	**No. of shares**	**₹**
Balance at the beginning of the year	41,400,000	414,000,000
Changes in equity share capital	-	-
Balance at the end of the year	**41,400,000**	**414,000,000**

B) **Other Equity**

	General Reserve	**Retained earnings**	**Total**
Balance at the beginning of the year	2,029,771	1,558,342,224	1,560,371,995
Profit for the year	-	152,571,004	152,571,004
Other comprehensive income	-	341,478	341,478
Balance at the end of the year	**2,029,771**	**1,711,254,706**	**1,713,284,477**

As per our report attached

For and on behalf of the Board

For M. K. Dandeker & Co.
Chartered Accountants
(Firm registration no. 000679S)
By the hand of

S. POOSAIDURAI
Partner
Membership No.: 223754
Place: Chennai
Date: April 12, 2019

U. POOVARASAN
Chief Financial Officer

K. SRINATHAN
Company Secretary

R. G. RAMACHANDRAN
Director
DIN : 02671982

K. C. RAMAN
Director
DIN : 07763969

Place: Chennai
Date : *April 12, 2019*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

1. PROPERTY, PLANT AND EQUIPMENT

₹

Particulars	Cost				Depreciation				Book Value	
	As at April 01, 2018	Additions	Deductions	As at March 31, 2019	As at April 01, 2018	For the year	Deductions	As at March 31, 2019	As at March 31, 2019	As as March 31, 2018
Owned										
Land	607,315	-	-	607,315	-	-	-	-	607,315	607,315
Building	873,183	-	-	873,183	77,046	25,682	-	102,728	770,455	796,137
Plant and Equipment	6,160,211	3,252,203	2	9,412,412	1,934,437	828,137	2	2,762,572	6,649,840	4,225,774
Furniture and fixtures	243,197	-	-	243,197	77,908	17,498	-	95,406	147,791	165,289
Vehicles	95,176	-	-	95,176	95,175	-	-	95,175	1	1
Office equipment	2,090,596	112,690	13,200	2,190,086	387,017	558,606	13,196	932,427	1,257,659	1,703,579
Electrical installations	41,165	-	1	41,164	41,163	-	1	41,162	2	2
Air conditioning and Refrigeration	289,806	-	-	289,806	23,817	26,565	-	50,382	239,424	265,989
Computers, laptops and printers	1,096,611	2,716,488	53,821	3,759,278	505,767	860,648	53,819	1,312,596	2,446,682	590,844
Total	**11,497,260**	**6,081,381**	**67,024**	**17,511,617**	**3,142,330**	**2,317,136**	**67,018**	**5,392,448**	**12,119,169**	**8,354,930**
Previous year	*4,413,751*	*7,210,244*	*126,735*	*11,497,260*	*2,424,230*	*818,117*	*100,017*	*3,142,330*	*8,354,930*	*1,989,521*

2. CAPITAL WORK-IN-PROGRESS

Particulars	Cost			
	As at April 01, 2018	Additions	Capitalised during the year	As at March 31, 2019
Capital work in progress		-		-
Total	-	-	-	-
Previous year	*1,053,917*	-	*1,053,917*	-

3. INTANGIBLE ASSETS

₹

Particulars	Cost				Amortisation				Book Value	
	As at April 01, 2018	Additions	Deductions	As at March 31, 2019	As at April 01, 2018	For the year	Deductions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Toll collection rights	*979,689,743*	-	55,615,201	**924,074,542**	*307,370,674*	*38,410,726*	55,615,201	**290,166,199**	**633,908,343**	*672,319,069*
Total	*979,689,743*	-	55,615,201	**924,074,542**	*307,370,674*	*38,410,726*	55,615,201	**290,166,199**	**633,908,343**	*672,319,069*
	979,689,743	-	-	**979,689,743**	*271,869,722*	*35,500,952*	-	**307,370,674**	**672,319,069**	*707,820,021*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

4. LOANS AND ADVANCES

Particulars	March 31, 2019 Current ₹	March 31, 2019 Non-current ₹	March 31, 2019 Total ₹	*March 31, 2018 Current* ₹	*March 31, 2018 Non-current* ₹	*March 31, 2018 Total* ₹
a) Security deposits						
Unsecured, considered good	-	697,219	697,219	-	*683,165*	*683,165*
b) Loans to related parties						
Unsecured, considered good	1,099,300,000	-	1,099,300,000	*729,300,000*	-	*729,300,000*
c) Receivable from others	12,666	-	12,666	*11,369*	-	*11,369*
d) Receivable from NHAI	82,035	-	82,035	*4,120,549*	-	*4,120,549*
	1,099,394,701	697,219	1,100,091,920	*733,431,918*	*683,165*	*734,115,083*

5. DEFERRED TAX ASSETS (Net)

Particulars	March 31, 2019 Current ₹	March 31, 2019 Non-current ₹	March 31, 2019 Total ₹	*March 31, 2018 Current* ₹	*March 31, 2018 Non-current* ₹	*March 31, 2018 Total* ₹
Deferred tax Liability (net)	-	(148,153,822)	(148,153,822)	-	*(146,345,488)*	*(146,345,488)*
Mat credit entitlement	-	173,424,738	173,424,738	-	*196,010,375*	*196,010,375*
	-	25,270,916	25,270,916	-	*49,664,887*	*49,664,887*

6. OTHER NON-CURRENT AND CURRENT ASSETS

Particulars	March 31, 2019 Current ₹	March 31, 2019 Non-current ₹	March 31, 2019 Total ₹	*March 31, 2018 Current* ₹	*March 31, 2018 Non-current* ₹	*March 31, 2018 Total* ₹
Advances other than capital advances						
Other receivables						
Advance paid for purchase of shares	420,000,000	-	420,000,000	*420,000,000*	-	*420,000,000*
Advance recoverable other than in cash						
Prepaid expenses	565,181	-	565,181	*587,203*	-	*587,203*
Leave encashment plan asset (net of provisions)	15,331	-	15,331	*17,875*	-	*17,875*
Gratuity plan asset(net of provisions)	194,340	173,581	367,921			
Income tax net of previous year provisions	-	14,320,302	14,320,302	-	*9,764,966*	*9,764,966*
	420,774,852	14,493,883	435,268,735	*420,605,078*	*9,764,966*	*430,370,044*

7. INVESTMENTS

Particulars	As at March 31, 2019 ₹ Current	As at March 31, 2019 ₹ Non Current	*As at March 31, 2018* ₹ *Current*	*As at March 31, 2018* ₹ *Non Current*
Investments at fair value through Profit and loss				
Investments in mutual funds	399,634,739	-	*809,661,820*	-
Investments in associates	-	167,110,000	-	-
	399,634,739	167,110,000	*809,661,820*	-
Add/(deduct):				
Share in profit/(loss) during the year (Before Dividend Distribution Tax)	-	17,407,763	-	-
Dividend Distribution Tax	-	-3,031,462	-	-
Dividend received during the year	-	-14,745,000	-	-
	399,634,739	166,741,301	*809,661,820*	-

During the year the company had purchased 98,30,000 shares @ Rs.17 per share from the parent company L & T IDPL which forms 22.31 % of holding in the total share capital of International Seaports (Haldia) Private Limited.
For the purpose of consolidation, the profit of associate for the year is taken from the date of accquisition till the year end.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

Investments in mutual funds includes an amount of Rs. 17,82,13,808 collected on account of toll revision from the month of January 2018 & held under separate escrow agreement as per the conditions stipulated by MoRTH vide letter RWNH'12024/8/201S-TN(P-7),

8. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2019 Current ₹	*As at March 31, 2018 Current ₹*
a) Balances with banks	**9,796,108**	*8,126,990*
b) Cheques on hand	**14,745,000**	-
c) Cash on hand	**5,216,437**	*3,387,850*
d) Fixed deposits with banks including interest accrued thereon		
Less than 3 Months	**100,068,493**	*350,207,118*
	129,826,038	*361,721,958*
(ii) Other bank balances		
a) Fixed deposit more than 3 Months	**978,205,873**	*671,357,988*
	978,205,873	*671,357,988*

Fixed deposits in other bank balances includes FD amounting to Rs. 67,10,21,228 P.Y (65,53,09,757) along with interest kept as margin money deposit for issuance of bank guarantee in favour of MoRTH in compliance with NITI AAYOG circular for availing 75% of arbitration amount won during december 2017.

9. SHARE CAPITAL

(i) Authorised, issued, subscribed and paid up

Particulars	As at March 31, 2019 No. of shares	₹	*As at March 31, 2018 No. of shares*	₹
Authorised:				
Equity shares of ₹ 10 each	**50,000,000**	**500,000,000**	*50,000,000*	*500,000,000*
Issued, subscribed and fully paid up	**41,400,000**	**414,000,000**	*41,400,000*	*414,000,000*
Equity shares of ₹ 10 each	**41,400,000**	**414,000,000**	*41,400,000*	*414,000,000*

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

Particulars	As at March 31, 2019 No. of shares	₹	*As at March 31, 2018 No. of shares*	₹
At the beginning of the year	**41,400,000**	**414,000,000**	*41,400,000*	*414,000,000*
Issued during the year as fully paid		-	-	-
Others	-	-	-	-
At the end of the year	**41,400,000**	**414,000,000**	*41,400,000*	*414,000,000*

(iii) Terms/rights attached to shares

Equity shares

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

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

The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment. The shares issued carry equal rights to dividend declared by the company and no restrictions are attached to any specific shareholder.

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

Particulars	As at March 31, 2019 No. of shares	₹	*As at March 31, 2018 No. of shares*	₹
L&T Infrastructure Development Projects Limited (including nominee holding)	**30,536,000**	**305,360,000**	*30,536,000*	*305,360,000*
Larsen and Toubro Limited (ultimate holding company)	**10,864,000**	**108,640,000**	*10,864,000*	*108,640,000*
	41,400,000	**414,000,000**	*41,400,000*	*414,000,000*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

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

Particulars	**As at March 31, 2019 No. of shares**	**%**	*As at March 31, 2018 No. of shares*	*%*
L&T Infrastructure Development Projects Limited (including nominee holding)	**30,536,000**	**73.76%**	*30,536,000*	*73.76%*
Larsen and Toubro Limited (including nominee holding)	**10,864,000**	**26.24%**	*10,864,000*	*26.24%*

(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

10. OTHER EQUITY AS ON 31.03.2019

Particulars	**Reserves & Surplus**		
	General Reserve	**Retained Earnings**	**Total**
Balance at the beginning of the reporting period	2,029,771	1,558,342,224	1,560,371,995
Profit for the year	-	152,571,004	152,571,004
Other comprehensive income	-	341,478	341,478
Balance at the end of the reporting period	**2,029,771**	**1,711,254,706**	**1,713,284,477**

11. BORROWINGS

Particulars	**As at March 31, 2019**			*As at March 31, 2018*		
	Current ₹	**Non current ₹**	**Total ₹**	*Current ₹*	*Non current ₹*	*Total ₹*
Secured borrowings						
a) Term loans						
i) From banks	-	-	-	-	*198,515,435*	*198,515,435*
	-	-	-	-	*198,515,435*	*198,515,435*

Details of long term borrowings

Particulars	**Effective interest rate**	**Terms of repayment**
Term loans from banks	Base rate + applicable spread	Repayable in 162 monthly instalments from Oct 2006 to March 2020 at specified amounts

Nature of security for term loans

i) Mortgage of title deed of immovable property being flat located at Coimbatore

ii) Hypothecation of movable properties, assignment of project documents, insurance policies, investments, receivables and general assets

Presentation of Long term borrowings in the Balance Sheet is as follows :

Particulars	**As at March 31, 2019**	*As at March 31, 2018*
Long term borrowings [Refer note]	-	*198,515,435*
Current maturities of long term borrowings [Refer note 12]	198,214,857	*195,000,000*

12. OTHER FINANCIAL LIABILITIES

Particulars	**As at March 31, 2019**			*As at March 31, 2018*		
	Current ₹	**Non current ₹**	**Total ₹**	*Current ₹*	*Non current ₹*	*Total ₹*
a) Deposits received		**1,459,800**	**1,459,800**		*1,393,800*	*1,393,800*
b) Current maturities of long term borrowings	**198,214,857**	**-**	**198,214,857**	*195,000,000*	-	*195,000,000*
c) Other liabilities [refer note H(10)]	**1,396,976,329**		**1,396,976,329**	*1,237,870,338*		*1,237,870,338*
	1,595,191,186	**1,459,800**	**1,596,650,986**	*1,432,870,338*	*1,393,800*	*1,434,264,138*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

13. PROVISIONS

Particulars	**As at March 31, 2019**			*As at March 31, 2018*		
	Current	**Non current**	**Total**	*Current*	*Non current*	*Total*
	₹	**₹**	**₹**	*₹*	*₹*	*₹*
Provision for employee benefits	**-**		**-**	*127,833*		*127,833*
Provisions for major maintenance reserve	**150,059,002**		**150,059,002**	*120,292,039*		*120,292,039*
Others			**-**			*-*
	150,059,002	**-**	**150,059,002**	*120,419,872*	*-*	*120,419,872*

14. OTHER CURRENT LIABILITIES

Particulars	**As at March 31, 2019**			*As at March 31, 2018*		
	Current	**Non current**	**Total**	*Current*	*Non current*	*Total*
	₹	**₹**	**₹**	*₹*	*₹*	*₹*
i) Statutory payables	**768,669**	**-**	**768,669**	*1,210,997*	*-*	*1,210,997*
	768,669	**-**	**768,669**	*1,210,997*	*-*	*1,210,997*

15. TRADE PAYABLES

Particulars	**As at March 31, 2019**	*As at March 31, 2018*
	₹	*₹*
Due to related parties	1,532,364	*7,956,586*
Due to others	4,771,536	*826,756*
	6,303,900	*8,783,342*

16. CURRENT TAX LIABILITIES (Net)

Particulars	**As at March 31, 2019**	*As at March 31, 2018*
	₹	*₹*
Liabilities for current tax (net)	-	-
Less: Tax Deducted at Source/Advance tax paid	-	-
Income tax net of previous year provisions		-
	-	**-**

F CONTINGENT LIABILITIES

The company has not provided in books of account an amount of ₹ 13,51,93,315 (P. Y. ₹ 2,14,93,958) which is in the contingent nature, towards Interest on the amount of Arbitration award amount received up to 31st Mar. 2019.

G CAPITAL COMMITMENTS

Capital commitments as at March 31, 2019 is ₹ 55,01,661 for construction of office buildings (previous year: ₹ NIL)

17. REVENUE FROM OPERATIONS

Particulars		**2018-19**		*2017-18*
	₹	₹	₹	₹
Operating revenue:				
Toll Collections		**316,250,079**		*301,007,147*
Other operating revenue:				
License fee from wayside amenities & others		**3,825,329**		*2,858,696*
		320,075,408		*303,865,843*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

18. OTHER INCOME

Particulars	**2018-19** ₹	₹	*2017-18* ₹	₹
Interest income from:				
Bank deposits	**49,257,497**		*18,061,507*	
Interest income from others	**14,054**		*336,285*	
		49,271,551		*18,397,792*
Net gain/(Loss) on sale of current investment and FVTPL		**67,972,735**		*95,971,272*
Profit/(loss) on disposal of fixed assets		**3,295**		*129,999*
Miscellaneous income		**67,965**		*125,161*
		117,315,546		*114,624,224*

19. OPERATING EXPENSES

Particulars	**2018-19** ₹	₹	*2017-18* ₹	₹
Toll Management fees		**41,746,001**		*38,290,269*
Security services		**20,969,395**		*23,454,374*
Insurance		**673,798**		*772,356*
Repairs and maintenance				
Toll road & bridge	**7,951,252**		*8,552,747*	
Plant and machinery	**2,505,391**		*1,990,223*	
Periodic major maintenance	**29,766,963**		*46,603,000*	
Others	**5,258,112**		*1,099,008*	
		45,481,718		*58,244,978*
Power and fuel		**2,283,468**		*2,090,811*
		111,154,380		*122,852,788*

20. EMPLOYEE BENEFIT EXPENSES

Particulars	**2018-19** ₹	₹	*2017-18* ₹	₹
Salaries, wages and bonus		**8,033,471**		*9,363,808*
Contributions to and provisions for:				
Provident fund	**468,632**		*539,748*	
Gratuity	**356,753**		*486,389*	
Compensated absences	**200,458**		*3,433*	
Others	**16,248**		*32,496*	
		1,042,091		*1,062,066*
Staff welfare expenses		**1,333,983**		*1,262,810*
		10,409,545		*11,688,684*

21. FINANCE COSTS

Particulars	**2018-19** ₹	₹	*2017-18* ₹	₹
Interest on borrowings		**31,887,699**		*52,591,387*
Other borrowing cost		**3,364**		*343,562*
Bank guarantee charges		**10,915,887**		*9,844,044*
Unwinding of discount and implicit interest expense on fair value		**5,900**		*6,087,743*
Claim for reimbursement of expenses		**-**		*3,101,578*
		42,812,850		*71,968,314*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

22. ADMINISTRATION AND OTHER EXPENSES

Particulars	**2018-19** ₹	₹	2017-18 ₹	₹
Rent, Rates and taxes		**39,550**		*17,152*
Professional fees (Refer note (a) below)		**11,770,490**		*26,795,355*
Postage and communication		**607,114**		*380,782*
Printing and stationery		**832,960**		*535,078*
Travelling and conveyance		**841,652**		*1,143,547*
Corporate social responsibility expenses (Refer note (b) below)		**7,548,333**		*2,813,172*
Repairs and Maintenance - Others		**1,063,126**		*894,793*
Miscellaneous expenses		**1,718,037**		*1,582,824*
		24,421,262		*34,162,703*

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

Particulars	**2018-19** ₹	*2017-18* ₹
a) As auditor	**374,060**	*489,060*
b) For other services	**100,300**	*100,300*
c) Reimbursement of expenses	**56,889**	*83,264*
Total	**531,249**	*672,624*

(b) Details of Corporate social responsibility expenditure

(i) The amount required to be spent by the company on Corporate Social Responsibility (CSR) related activities during the year is ₹ 30,82,543 (previous year ₹ 31,20,322)

(ii) The details of amount recognized as expense in the Statement of Profit or Loss under Note 22 above on CSR related activites is follows

(iii) Unspend CSR expenses of prior years is also accumulated and spent during the year.

Particulars	₹ **Paid in cash**	₹ **Not paid in cash**	₹ **Total**
Amount spent during the year ending on 31st March, 2019:			
i) Construction/acquisition of any asset	**-**	**-**	**-**
ii) On purposes other than (i) above	**7,548,333**		**7,548,333**
	7,548,333	**-**	**7,548,333**
Amount spent during the year ending on 31st March, 2018:			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	*2,813,172*		*2,813,172*
	2,813,172	-	*2,813,172*

23. OTHER COMPREHENSIVE INCOME/(EXPENSE)

Particulars	**2018-19** ₹	₹	*2017-18* ₹	₹
Reclassifiable to profit or loss in subsequent periods		-		-
Not reclassifiable to profit or loss in subsequent periods				
Re-estimation of provision for defined benefit plan	**242,040**		*217,169*	
Less : Tax on the adjustment	**99,438**		-	
		341,478		*217,169*
		341,478		*217,169*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

1 Corporate Information

L&T Transportation Infrastructure Limited is a Special Purpose Vehicle (SPV) incorporated for the purpose of the construction of a bypass and a bridge over the River Noyyal (known as Athupalam bridge) in Coimbatore District in the state of Tamil Nadu, under Build, Operate and Transfer (BOT) basis based on the Concession Agreement dated 3rd October 1997 with Ministry of Surface Transport, Government of India and Department of Highways, Government of Tamil Nadu. The Company had completed construction of the Athupalam bridge on December 11, 1998 and the bypass on January 18, 2000. The concession period is 21 years for Athupalam bridge and 32 years for the bypass including the construction period.

During the year the concession period of Athupalam bridge had got over and it had been handed over to MoRTH on 02/12/2018

2 Additional information pursuant to Schedule III to the Companies Act, 2013

S. No.	Name of the entity	Country of Incorporation	Net assets, i.e., total assets minus total liabilities		Share in profit or loss	
			As % of consolidated net assets	Amount ₹ crore	As % of consolidated profit or loss	Amount ₹ crore
	Parent					
1	L&T Transportation Infrastructure Limited	India	99.32	2,112,908,176	90.60	138,536,181
	Associate Companies					
2	International Seaports Haldia (Private) Limited	India	0.68	14,376,301	9.40	14,376,301
			100.00	**2,127,284,477**	**100.00**	**152,912,482**

Consolidation is based on the unaudited financial statement certified by the management of the associate

3 The Company has not earned any income/incurred any expenditure in foreign currency during the year. (previous year: ₹ Nil)

4 Disclosure pursuant to Ind AS 19 "Employee benefits":

(i) Defined contribution plan:

An amount of ₹4,68,632 (previous year : ₹ 5,39,748) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense (Note 20) in the Statement of Profit and loss.

(ii) Defined benefit plans: Gratuity Plan

a) Characteristics of its defined benefit plans and risks associated with them

i	Benefits offered	15/ 26 × Salary × Duration of Service
ii	Salary definition	Basic Salary including Dearness Allowance (if any)
iii	Benefit ceiling	Benefit ceiling of Rs. 10,00,000 was applied
iv	Vesting conditions	5 years of continuous service (Not applicable in case of death/disability)
v	Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
vi	Retirement age	58 Years

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

Particulars	As at March 31, 2019 ₹	*As at March 31, 2018 ₹*
A) Present value of defined benefit obligation		
- Wholly funded	**2,344,827**	*2,168,553*
- Wholly unfunded	**-**	*-*
	2,344,827	*2,168,553*
Less : Fair value of plan assets	**2,712,748**	*2,097,696*
Amount to be recognised as liability or (asset)	**(367,921)**	*70,857*
B) Amounts reflected in the Balance Sheet		
Liabilities	**(367,921)**	*70,857*
Assets	**-**	*-*
Net Liability / (asset)	**(367,921)**	*70,857*

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

Particulars	As at March 31, 2019 ₹	*As at March 31, 2018 ₹*
1 Current service cost	**357,030**	*192,270*
2 Interest on Defined benefit obligation	**(277)**	*16,447*
	356,753	*208,717*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

d) Remeasurement recognized in other comprehensive income

Particulars	**As at March 31, 2019** ₹	*As at March 31, 2018* ₹
Components of actuarial gain/losses on obligations		
Due to change in financial assumptions	**24,041**	*(53,602)*
Due to change in demographic assumption	**-**	
Due to experience adjustments	**(355,827)**	*(156,197)*
Return on plan assets excluding amounts included in interest income	**(9,692)**	*(7,370)*
	(341,478)	*(217,169)*

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

Particulars	**As at March 31, 2019** ₹	*As at March 31, 2018* ₹
Opening defined benefit obligation	**2,168,553**	*2,453,452*
Current service cost	**357,030**	*192,270*
Interest cost	**151,030**	*162,808*
Actuarial losses/(gains)		
Due to change in financial assumptions	**24,041**	*(53,602)*
Due to change in demographic assumption	**-**	-
Due to experience adjustments	**(355,827)**	*(156,197)*
Benefits paid	-	**(430,178)**
Closing balance of the present value of defined benefit obligation	**2,344,827**	*2,168,553*

f) The changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	**As at March 31, 2019** ₹	*As at March 31, 2018* ₹
Opening balance of fair value of plan assets	**2,097,696**	*2,120,675*
Interest Income	**151,307**	*146,361*
Return on plan assets excluding amounts included interest income	**9,692**	*7,370*
Contribution by employer	**454,053**	*253,468*
Contribution by plan participants	**-**	-
Benefits paid	**-**	*(430,178)*
Closing balance of fair value of plan assets	**2,712,748**	*2,097,696*

g) Principal actuarial assumptions at the Balance Sheet date:

Particulars	**As at March 31, 2019** ₹	*As at March 31, 2018* ₹
1) Discount rate	**7.15%**	*7.30%*
2) Salary growth rate	**6.00%**	*6.00%*
3) Attrition rate	**3% to 15% based on age band**	*3% to 15% based on age band*

h) A quantitative sensitivity analysis for significant assumption as at 31 March 2019

Particulars	**As at March 31, 2019**		*As at March 31, 2018*	
	Change	**Obligation**	*Change*	*Obligation*
i) Discount rate	**+0.5%**	**2,266,152**	*+0.5%*	*2,095,511*
	-0.5%	**2,427,795**	*-0.5%*	*2,245,781*
ii) Salary growth rate	**+0.5%**	**2,428,315**	*+0.5%*	*2,246,377*
	-0.5%	**2,264,954**	*-0.5%*	*2,094,297*

i) The major categories of plan assets of the fair value of the total plan assets are as follows :

Particulars	**As at March 31, 2019** ₹	*As at March 31, 2018* ₹
Managed by the insurer	**2,712,748**	*2,097,696*
Total	**2,712,748**	*2,097,696*

5 Disclosure pursuant to Ind AS 23 "Borrowing Costs"

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

6 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 Design, Build, Finance, Operate and Transfer (DBFOT) basis, which is the Company's only reporting segment. Further, the entire operations of the Company are only in India. Hence, disclosure of secondary/geographical segment information does not arise.

7 Disclosure of related parties/related party transactions pursuant to Accounting Standard (IND AS) 24 "Related Party Disclosures"

a) List of related parties

Holding Company :	L&T Infrastructure Development Projects Limited
Ultimate Holding Company :	Larsen & Toubro Limited
Fellow Subsidiaries :	L&T Chennai – Tada Tollway Limited
	L&T Samakhiali Gandhidham Tollway Ltd
	L&T Deccan Tollways Limited
	Devihali Hassan Tollway Ltd. (upto 04/05/2018)
Associates	L&T International Seaports (Haldia) Pvt. Ltd.
Key Managerial personnel	Sathish Kumar K.V. (Upto 19/12/2018)
	Suresh Sankar Narayanan (w.e.f.15/03/2019)
	U. Poovarasan

b) Disclosure of related party transactions:

Particulars	**2018-19**	*2017-18*
	₹	₹
Holding Company		
L&T Infrastructure Development Projects Limited		
• Purchase of goods and services	**6,337,884**	*17,740,938*
• Reimbursement of expenses to	**10,915,887**	*9,786,544*
• Reimbursement of expenses from	**162,516**	*189,017*
• Advance Paid for Purchase of Shares	**-**	*420,000,000*
• Purchase of Investments in International Seaports (Haldia) Pvt. Ltd	**167,100,000**	*-*
Ultimate Holding Company		
Larsen & Toubro Limited		
• Purchase of goods and services	**933,173**	*1,309,623*
• Reimbursement of expenses to	**100,102**	*739,304*
L&T Devihalli Hassan Tollway Ltd		
• Purchase of assets	**-**	*3*
L&T Samakhiali Gandhidham Tollway Ltd		
• Unsecured Loan given	**370,000,000**	*149,300,000*
L&T Deccan Tollways Limited		
• Unsecured Loan given	**-**	*1,235,000,000*
• Unsecured Loan received back	**-**	*655,000,000*
International Seaports (Haldia) Pvt. Ltd.		
• Dividend received during the year	**14,745,000**	*-*
Key management personnel		
Payment of Salaries / Perquisites		
• Sathish Kumar K.V	**-**	*1,429,227*
• Suresh sankarnarayanan	**20,385**	*-*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

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

(Amount in ₹)

Particulars	Amounts due (to)/from	
	As at March 31,2019	*As at March 31,2018*
Holding Company		
L&T Infrastructure Development Projects Limited	**419,379,109**	*412,735,398*
Ultimate Holding Company		
Larsen & Toubro Limited	**(129,030)**	*(683,016)*
Fellow Subsidiaries		
L&T Chennai Tada Tollways Limited	**(8,968)**	*(8,968)*
L&T Samakhiaki Gandhidam Tollway LTD	**519,300,000**	*149,300,000*
L&T Deccan Tollways Limited	**580,000,000**	*580,000,000*

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

8 **Disclosure pursuant to Ind AS 12 - "Income taxes"**

The major components of income tax expense for years ended 31 March 2019 and 31 March 2018 are :

Particulars	**As at March 31, 2019** ₹	*As at March 31, 2018* ₹
Current income Tax :		
Current income tax charge	**74,650,000**	*49,097,000*
Adjustments of current tax of previous year	**(6,787,982)**	-
Deferred Tax		
Relating to origination and reversal of temporary differences	**477,181**	*2,147,043*
Relating to rate change or imposition of new taxes	**1,331,153**	
MAT Credit entitlement	**-**	*(37,054,585)*
Income tax reported in the statement of profit and loss	**69,670,352**	*14,189,458*

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2018 :

Particulars	**As at March 31, 2019** ₹	*As at March 31, 2018* ₹
Accounting profit before tax from continuing operations	**207,865,055**	*141,498,509*
At India's Statutory income tax rate of 29.12% (31 March 2018 - 28.84%)	**59,948,282**	*40,808,170*
Change in profits on account of translational adjustments	**-**	
Deductions under chapter VI of Income Tax Act	**-**	-
MAT credit entitlement	**(6,787,982)**	*(37,054,585)*
Adjustments towards temporary differences	**1,808,334**	*2,147,043*
Other non deductible expenses	**14,701,718**	*8288829.605*
Tax as per Statement of Profit and Loss	**69,670,352**	*14,189,458*

Deferred Tax

Major components of Deferred tax liabilities and assets

Particulars	**As at March 31, 2019** ₹	**As at March 31, 2018** ₹
Property, plant and equipment	**(135,083,390)**	*(140,313,648)*
Provisions - Major maintenance	**(3,244,259)**	*(31,136)*
Investments at fair value through profit or loss	**(3,294,584)**	*(6,013,677)*
Borrowings	**(612)**	*(2,307)*
Provisions - employee benefits	**(111,603)**	-
Provision for doubtful trade receivables	**-**	-
Increase in MAT Credit	**(6,419,374)**	-
MAT Credit Entitlement	**173,424,738**	*196,010,375*
Net Deferred Tax Assets/ (Liabilities)	**25,270,917**	*49,649,607*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

9 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		2018-19	2017-18
		₹	₹
Basic and Diluted			
Profit after tax as per accounts (₹)	A	**152,571,004**	*127,309,051*
Weighted average number of shares outstanding	B	**41,400,000**	*41,400,000*
Basic and Diluted EPS (₹)	A / B	**3.69**	*3.08*
Face value per equity share (₹)		**10.00**	*10.00*

10 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.

11 Disclosures as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent assets"

a) Nature of provisions:

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

For this purpose, a regular maintenance along with periodic 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 industry practice, the periodic maintenance is expected to occur after 5-7 years. The maintenance cost/bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually.

The company expects to incur the expenditure during the year 2019-20

b) Movement in provisions:

Particulars	Major maintenance provision	
	2018-19	2017-18
	₹	₹
Opening balance	**120,292,039**	*67,610,582*
Additional provision	**29,766,963**	*46,603,000*
Unwinding of discount and changes in discount rate	**-**	*6,078,457*
Total (Closing balance)	**150,059,002**	*120,292,039*

c) Contingent liabilities :

The company has not provided in books of account an amount of Rs. 13,51,93,315 which is in the contingent nature, towards Interest on the amount of Arbitration award amount received up to 31st Mar. 2019.

d) Contingent assets :

Arbitration with MoRTH

During the year 2009-10, the Company had received a termination notice from the Ministry of Road Transport and Highways, Government of India, (MoRTH). The Company moved the honourable High Court, New Delhi, against the notice served and the court vide its order dated January 21, 2010, directed that status-quo be maintained till the Steering Group constituted under the Concession Agreement decides on the dispute.

The matter was further adjourned thrice and is now posted for hearing on July 10, 2018

Meanwhile pursuant to the decisions taken by the Cabinet Committee on Economic Affairs (CCEA) for the revival of construction sector, the NITI Aayog had issued OM No 14070/14/2016 PPPAU dated 5th September 2016 titled "Measures to revive the Construction Sector" which requires the work executing agencies to pay an amount equal to 75% of the total pay-out in cases where the Arbitral Awards are passed in favour of the Concessionaire against a bank guarantee without prejudice to the rights and stand of the Agency and subject to the final order of the court in the matter under challenge. In case the legal challenge is settled in favour of the Agency, it would be entitled to recover the said amount along with interest. Accordingly a sum of Rs. 117.28 crores has been received from GOI towards 75% of the arbitral award against a bank guarantee provided by the Company.

"MoRTH has approved the Fee revision on 08th Jan 2018 and the same has been implemented from 22nd Jan 2018.

The company had collected an amount of ₹ 17,29,52,530/- between 22nd Jan 2018 to 31st Mar 2019 towards the difference between the pre-revised fee and Post revised fee from the Toll Users and included in Other Current Liabilities. This amount would be refunded to MoRTH in the event that the case referred in the point no.10(d) is favorable to them. In the event, the Company wons the referred case, the same would be offered to Statement of Profit and Loss Account"

Amount net of TDS along with the additional toll revenue collected is presented as other liablities under other financial liablities

The matter was last listed on 25.02.2019 and the same has been adjourned to 12.04.2019 for final arguments on Section 34 application .

12 Disclosure as per Ind AS 1 - "Presentation of Financial Statements"

For the purpose of the company’s capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company’s capital management is to maximise the shareholder value.

(Ind AS 1 requires the company to make quantitative and qualitative disclosures regarding objectives policies and processes for managing capital. Also, if comparitive amounts are reclassified, nature amount and reason to be disclosed and not just the fact of reclassification.)

13 Disclosure pursuant to Ind AS 17 - " Leases"

The Company has not acquired any assets either under Finance lease or under Operating lease. Hence disclosures pertaining to Ind AS 17 "Leases" are not applicable.

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified new Ind AS on leases, Indian Accounting Standard (Ind AS) 116 which is applicable from 01/04/2019.

However, there is no impact because of this change in the standard.

14 Financial Instruments

DISCLOSURE OF FINANCIAL INSTRUMENTS BY CATEGORY

Financial instruments by categories	Note no.	As at March 31, 2019			*As at March 31, 2018*		
		FVTPL	FV-TOCI	Amortized cost	*FVTPL*	*FV-TOCI*	*Amortized cost*
Financial asset							
Security Deposits	4	-	-	697,219	-	-	683,165
Investments	7	399,634,739	-	-	809,661,820	-	-
Investments in associates	7	166,741,301	-	-	-	-	-
Cash and cash equivalents	8	-	-	129,826,038	-	-	361,721,958
Other bank and bank balance	8	-	-	978,205,873	-	-	671,357,988
Other Current Financial Asset	4	-	-	12,666	-	-	11,369
Receivable from NHAI	4	-	-	82,035	-	-	4,120,549
Unsecured loan to related parties	4	-	-	1,099,300,000	-	-	729,300,000
Total Financial Asset		566,376,039.81	-	1,229,917,958	809,661,820	-	1,095,837,041
Financial liability							
Term Loan from Banks	11	-	-	-	-	-	198,515,435
Other Current Financial Liabilities	12	-	-	1,595,191,186	-	-	1,432,870,338
Other non Current Financial Liabilities	12	-	-	1,459,800	-	-	1,393,800
Trade Payables	15	-	-	6,303,900	-	-	8,783,342
Total Financial Liabilities		-	-	1,602,954,886	-	-	1,641,562,915

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 CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

15 Fair value of Financial asset and liabilties at amortized cost

Particular	Note no.	As at March 31, 2019		*As at March 31, 2018*	
		Carrying amount	**Fair value**	*Carrying amount*	*Fair value*
Financial Assets					
Security Deposits	4	**697,219**	**697,219**	*683,165*	*683,165*
Cash and cash equivalents	8	**129,826,038**	**129,826,038**	*361,721,958*	*361,721,958*
Other bank and bank balance	8	**978,205,873**	**978,205,873**	*671,357,988*	*671,357,988*
Other Current Financial Asset	4	**12,666**	**12,666**	*11,369*	*11,369*
Receivable from NHAI	4	**82,035**	**82,035**	*4,120,549*	*4,120,549*
Unsecured loan to related parties	4	**1,099,300,000**	**1,099,300,000**	*729,300,000*	*729,300,000*
Total Financial Assets		**1,229,917,958**	**1,229,917,958**	*1,095,837,041*	*1,095,837,041*
Financial liability					
Term Loan from Banks	11	**-**	**-**	*198,515,435*	*198,515,435*
Other Current Financial Liabilities	12	**1,595,191,186**	**1,595,191,186**	*1,432,870,338*	*1,432,870,338*
Other non Current Financial Liabilities	12	**1,459,800**	**1,459,800**	*1,393,800*	*1,393,800*
Trade Payables	15	**6,303,900**	**6,303,900**	*8,783,342*	*8,783,342*
Total Financial Liabilities		**1,602,954,886**	**1,602,954,886**	*1,641,562,915*	*1,641,562,915*

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 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, 2019

Financial Asset & Liabilities Measured at FV – Recurring FVM	**Note No.**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial asset measured at FVTPL					
Investments in Mutual Funds	7	**399,634,739**	**-**	**-**	**399,634,739**
Investments in associates	7	**166,741,301**	**-**	**-**	**166,741,301**
Total of Financial Assets		**566,376,040**	**-**	**-**	**566,376,040**
Financial Liabilities measured at FVTPL		**-**	**-**	**-**	**-**
Total of Financial Liabilities		**-**	**-**	**-**	**-**

Financial Asset & Liabilities 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	4	**697,219**	**-**	**-**	**697,219**
Other Current Financial Asset	4	**12,666**	**-**	**-**	**12,666**
Receivable from NHAI	4	**82,035**	**-**	**-**	**82,035**
Unsecured loan to related parties	4	**1,099,300,000**	**-**	**-**	**1,099,300,000**
Total of Financial Assets		**1,100,091,920**	**-**	**-**	**1,100,091,920**
Financial Liabilities					
Term Loan from Banks	11	**-**	**-**	**-**	**-**
Other Current Financial Liabilities	12	**-**	**1,595,191,186**	**-**	**1,595,191,186**
Other Non Current Financial Liabilities	12		**1,459,800**		**1,459,800**
Total Financial liabilities		**-**	**1,596,650,986**	**-**	**1,596,650,986**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

16 Fair Value Measurement (Contd.)

As at March 31, 2018

Financial Asset & Liabilities Measured at FV - Recurring FVM	Note No.	Level 1	Level 2	Level 3	Total
Financial asset measured at FVTPL					
Investments in Mutual Funds	7	**809,661,820**	**-**	**-**	**809,661,820**
Total of Financial Assets		**809,661,820**	**-**	**-**	**809,661,820**
Financial Liabilities measured at FVTPL		**-**	**-**	**-**	**-**
Total of Financial Liabilities		**-**	**-**	**-**	**-**

Financial Asset & Liabilities 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	4	**683,165**	**-**		**683,165**
Other Current Financial Asset	4	**11,369**		**-**	**11,369**
Receivable from NHAI	4	**4,120,549**		**-**	**4,120,549**
Unsecured loan to related parties	4	**729,300,000**		**-**	**729,300,000**
Total Financial Assets		**734,115,083**	**-**	**-**	**734,115,083**
Financial Liabilities					
Term Loan from Banks	11	**-**	**198,515,435**	**-**	**198,515,435**
Other Current Financial Liabilities	12	**-**	**1,432,870,338**	**-**	**1,432,870,338**
Other Non Current Financial Liabilities	12		**1,393,800**	**-**	**1,393,800**
Total Financial Liabilities		**-**	**1,632,779,573**	**-**	**1,632,779,573**

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
Investments in associates	At cost	Networth of the investee
Security deposit	Income	Cash flow
Financial liabilities		
Term Loan from Banks	Income	Effective rate of borrowing
Other Current Financial Liabilities	Income	Effective rate of borrowing

17 Asset pledged as security

Particulars	Note no	31.03.2019 ₹	31.03.2018 ₹
Non Financial Asset			
Property, Plant & Equipment	**1**	**12,119,169**	*8,354,930*
Capital work-in-progress	**2**	**-**	-
Financial Asset			
Investments	**7**	**399,634,739**	*809,661,820*
Cash and bank balances	**8**	**129,826,038**	*361,721,958*
Other Bank Balances	**8**	**978,205,873**	*671,357,988*
Other Financial Asset	**4**	**1,099,394,701**	*733,431,918*
TOTAL		**2,619,180,520**	*2,584,528,614*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

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.

A) 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 or no material payables 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, which is an inherent business risk.

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

Particulars	**31.03.2019** ₹	*31.03.2018* ₹
Senior Debt from Banks - Variable rate borrowings	**198,214,857**	*393,515,435*

Sensitivity analysis based on average outstanding Senior Debt

Interest Rate Risk Analysis	**Impact on profit / loss after tax**	
	FY 2018-19	*FY 2017-18*
Increase or decrease in interest rate by 25 basis points	**739,663**	*1,227,828*

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 price (other than those arising from interest rate risk or currency risk).

The company is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss.

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.	**31.03.2019** ₹	*31.03.2018* ₹
Investments in Mutual Funds	**7**	**399,634,739**	*809,661,820*

Sensitivity Analysis

	Impact on profit / loss after tax	
	31.03.2019	*31.03.2018*
Increase or decrease in NAV by 2%	**79,92,695**	*1,61,93,236*

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

B) 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2019

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, 2019	**Carrying Amount**	**upto 1 year**	**1 - 2 years**	**2 - 5 years**	**> 5 years**
Non Derivative Financial Liability					
Senior Debt from Banks	**198,214,857**	**198,214,857**	**-**	**-**	**-**
Trade Payables	**6,303,900**	**6,303,900**	**-**	**-**	**-**
Derivative Financial Liability	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
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	*393,515,435*	*195,000,000*	*195,000,000*	*3,515,435*	*-*
Trade Payables	*8,783,342*	*8,783,342*	*-*	*-*	*-*
Derivative Financial Liability	*NIL*	*NIL*	*NIL*	*NIL*	*NIL*

C) 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"

19.1 Description and classification of the arrangement

L&T Transportation Infrastructure Limited is a Special Purpose Vehicle (SPV) incorporated for the purpose of the construction of a bypass and a bridge over the River Noyyal (known as Athupalam bridge) in Coimbatore District in the state of Tamil Nadu, under Build, Operate and Transfer (BOT) basis based on the Concession Agreement dated 3rd October 1997 with Ministry of Surface Transport, Government of India and Department of Highways, Government of Tamil Nadu. The Company had completed construction of the Athupalam bridge on December 11, 1998 and the bypass on January 18, 2000. The concession period is 21 years for Athupalam bridge and 32 years for the bypass including the construction period. As per the CA, the company is entitled to charge users of the usage of the road asset, hence the service arrangement has been classified as Intangible Asset.

During the year December 2018 the concession period of Athupalam bridge had got over and it had been handed over to MoRTH on 02/12/2018

19.2 Significant Terms of the arrangements

i) Revision of Fees:

Fees shall be revised annually on April 01 subject to the provisions Clause 1.2.1 of Section II of the Concession Agreement (CA) dated October 03, 1997

ii) Rights of the Company for use Project Highway

a. To demand, collect and appropriate, Fee from vehicles and persons 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.

iii) 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 maintenance of Project Highway as per Clause 7.5.5 of Section I of the CA

iv) 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.

v) Details of Termination

CA can be terminated on account of default of the company or MoRTH in the circumstances as specified under Clause 16 of Section I of the CA.

NOTES ACCOMPANYING THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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 Ind AS

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 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements upto the year ended 31 March 2015 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.

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of defined benefit obligations
Assets held for sale	Fair value less costs to sell

(c) Use of estimates and judgements

The preparation of these financial statements in conformity with Ind AS 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.

(d) Measurement of fair values

A number of the accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date
- Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Principles of consolidation

The consolidated financial statements relate to L&T transportation Infrastructure Limited ("The Company") and the Group's share of profit/(loss) in it's associate. The consolidated financial statements have been prepared on the following basis:

a) Investment in associate company has been accounted for, using equity method as per IND AS 28 Accounting for Investments in Associates in Consolidated Financial Statements. Accordingly, the share of profit/ loss of the associate (the loss being restricted to the cost of investment) has been added to/deducted from the cost of investment of the associate. The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital reserve as the case may be.

b) Following associates have been considered in the preparation of the consolidated financial statements:

Name of the entity	Country of Incorporation	% of Holding and voting power either directly or indirectly through subsidiary as at	
		31 March 2019	31 March 2018
1. Associate			
International Seaports Haldia (Private) Limited	India	22.31	-

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

NOTES ACCOMPANYING THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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.

b) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate. Interest Income on non-performing assets is recognised upon realization, as per guidelines issued by the Reserve Bank of India.

c) License fees for way-side amenities are accounted on accrual basis.

d) Fair value gains on current investments carried at fair value are included in other income.

e) Dividend income is recognised when the right to receive the same is established by the reporting date.

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

4. Cash and bank balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term 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.

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.

Depreciation on additions/deductions is calculated pro-rata from / to the month of additions/deductions. For the assets that are transferred/sold within the group companies, depreciation is calculated up to the month preceding the month of transfer/sale within the group.

NOTES ACCOMPANYING THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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 :	
Toll equipment	7
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
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.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 01, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets valued below Rs. 5,000/- are written off in the year of purchase/capitalisation.

7. Amortisation of intangible assets

Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortisation method prescribed under Schedule II to the Companies Act, 2013. Under the revenue based method, amortisation is provided based on proportion of actual revenue earned till the end of the year to the total projected revenue from the intangible asset expected to be earned over the concession period. Total projected revenue is reviewed at the end of each financial year and is adjusted to reflect the changes in earlier estimate vis-a-vis the actual revenue earned till the end of the year so that the whole of the cost of the intangible asset is amortised over the concession period.

For transition to Ind AS, the Company has availed the option to continue with the Revenue based amortisation method prescribed under Schedule II to the Companies Act, 2013 for toll collection rights recognised under service concession arrangements recognised for the period ending immediately before the beginning of the first Ind AS reporting period as per the previous GAAP.

8. Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

9. 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

NOTES ACCOMPANYING THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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 Highways Authority of India (“NHAI”)/State authorities, 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.

Unconditional right to receive cash obtained in consideration for rendering construction services, represent the right to receive specified annuity amounts from the MoRTH during the concession period in respect of Build-Operate-Transfer (“BOT”) projects undertaken by the Group. Such unconditional right to receive cash is capitalised as financial assets upon initial recognition at the cumulative construction costs plus obligation towards negative grants and additional concession fee payable to MoRTH/State authorities, 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 MoRTH State authorities are reduced from the carrying amount intangible assets to the extent of actual receipts.

Extension of concession period by the authority in compensation of claims made are capitalised as part of Toll Collection Rights at the time of admission of the claim or when there is a contractual right to extension at the estimated amount of claims admitted or computed based on average collections whichever is more evident.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

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

10. 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:

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

11. 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 non current investments.

Investment in associate companies is recognised using FVTPL

12. 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.

NOTES ACCOMPANYING THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(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.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

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.

13. 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. 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.

14. Segment reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.
The accounting policies adopted for segment reporting are as per Indian Accounting Standard 108 "Operating Segments" (IND AS 108) read with SEBI's circular dated 05 July 2016. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. The identification of operating segments and reporting of amounts is consistent with performance assessment and resource allocation by the management.
Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.
Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under 'unallocated revenue/expenses/assets/liabilities'.

15. 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.

NOTES ACCOMPANYING THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(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.

16. 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 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.

17. 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 and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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.

18. 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.

NOTES ACCOMPANYING THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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.

19. 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.

Contingent liabilities are disclosed in notes in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or a present obligation arising from past events, when no reliable estimate is possible. Contingent assets are disclosed in the financial statements where an inflow of economic benefits are probable.

20. 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 entirely 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 (unless the same are designated as fair value through profit or loss (FVTPL)):

- 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.

A financial asset is primarily derecognised when:

i. the rights to receive cash flows from the asset have expired, or

ii. the group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and with a) the group has transferred substantially all the risks and rewards of the asset, or b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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, lease receivables, trade receivables 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.

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

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

NOTES ACCOMPANYING THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

22. 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.

23. 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.

24. 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.

For and on behalf of the Board of Directors

As per our report attached

For M. K. Dandeker & Co.
Chartered Accountants
(Firm's Registration No.: 000679S)
By the hand of

S. POOSAIDURAI	**U. POOVARASAN**	**K. SRINATHAN**	**R. G. RAMACHANDRAN**	**K. C. RAMAN**
Partner	*Chief Financial Officer*	*Company Secretary*	*Director*	*Director*
Membership No.: 223754			*DIN : 02671982*	*DIN : 07763969*

Place : Chennai
Date : 12/4/2019

Place: Chennai
Date: 12/4/2019