

BOARD'S REPORT

Dear Members,

The Directors have pleasure in presenting their report and Audited Accounts for the year ended March 31, 2020.

Financial Results / Financial Highlights

<i>(Rs. in crore)</i>		
Particulars	2019-20	2018-19
Profit / (Loss) Before Depreciation, exceptional items & Tax	15.81	4.69
Less: Depreciation, amortization, impairment and obsolescence	62.93	62.25
Profit / (Loss) before exceptional items and tax	(47.12)	(57.56)
Add: Exceptional Items	-	-
Profit / (Loss) before tax	(47.12)	(57.56)
Less: Provision for tax	0.07	-
Profit / (Loss) for the period carried to the Balance Sheet	(47.19)	(57.56)
Add: Other comprehensive Income	0.24	(0.01)
Total Comprehensive income of the year	(46.95)	(57.57)
Add: Balance brought forward from previous year	(66.37)	(8.80)
Balance to be carried forward	(113.32)	(66.37)

State of Company Affairs:

The gross revenue and other income for the financial year under review were Rs.165.10 crore as against Rs. 226.76 crore of the previous financial year (including financial asset income of Rs.9.30 crore as against Rs.12.97 crore for the previous year and construction contract income including COS income of Rs.1.25 crore as against Rs.80.22 crore for the previous year) resulting in a decrease of 27.19%. The loss before tax was Rs.47.12 crore and loss after tax was Rs.47.19 crore for the financial year under review as against Rs.57.56 crore and Rs.57.57 crore respectively

for the previous financial year, registering a decrease in loss by 18.14% & 18.01% respectively.

Capital & Finance

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

Capital Expenditure

As at March 31, 2020 the gross fixed and intangible assets including leased assets, stood at Rs.1130.34 crore and the net fixed and intangible assets, including leased assets, at Rs.999.52 crore Capital Expenditure during the year amounted to Rs.0.38 crore however the Company has not incurred any capital expenditure towards Intangible assets.

Deposits

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

Depository System

As on March 31, 2020 more than 100% of the Company's equity paid up capital representing 29,00,30,000 equity shares @ Rs.10/- each are held in dematerialized form.

Subsidiary Companies

The company has no Subsidiary / Associate / Joint Venture Company.

Particulars of loans given, investments made, guarantees given or security provided by the Company

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

Details of loans given, investments made or guarantees given or security is provided in the financial statement.

Particulars of Contracts or Arrangements with related parties

All related party transactions during the year have been approved in terms of the Act. The entire related party transactions were at arms'- length basis and in the ordinary course of business. The details of material Related Party Transactions are provided in **Annexure I (AOC-2)**.

Amount to be carried to reserve

Since the Company has incurred loss before tax for the year ended March 31, 2020 no amount is required to be transferred to the statutory reserve.

Dividend

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

Material changes and commitments affecting the financial position of the company, between the end of the financial year and the date of the report

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

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Conservation of Energy and Technology absorption

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

Foreign exchange earnings and outgo

During the year, the Company had incurred expenditure in foreign currency for an amount equivalent to Rs.8,44,422/-.

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.

Corporate Social Responsibility

Since your Company does not exceed any of the threshold limits specified under section 135 of the Act, the provisions of Corporate Social Responsibility are not applicable.

Details of Directors and Key Managerial Personnel appointed / resigned during the year

Mr. Pramod Sushila Kapoor was appointed as Director with effect from April 22, 2019 and Mr. Karthikeyan T.V. had resigned as Director with effect from May 1, 2020. Mr. R. G. Ramachandran, Director retired by rotation at the Annual General Meeting held on September 24, 2019 and was reappointed at the said meeting.

The Independent Directors of the Company have registered themselves on the Independent Director's Databank.

The first term of 5 years of the Independent Directors of the Company concluded on March 29, 2020. Subsequently, the Independent Directors were re-appointed for a second term of 5 years from March 30, 2020 to March 29, 2025.

The qualification, technical knowledge and expertise of the Independent Directors are best suited for the Company's business. The Independent Directors were re-appointed for the second term of 5 years as non-executive directors felt that the contribution of the Independent Directors towards the progress of the Company was invaluable so far, and will continue to be so in future also.

Composition of Board of Directors of the Company as on March 31, 2020 stood as below:

S. No.	Name of the Director	Designation	DIN
1	Mr. Pramod Sushila Kapoor	Director	02914307
2	Mr. R. G. Ramachandran	Director	02671982
3	Dr. A Veeraragavan	Independent Director	07138615
4	Ms. Samyuktha Surendran	Independent Director	07138327

The Key Managerial Personnel (KMP) of the Company as on March 31, 2020 are:

S. No.	Name	Designation	Date of Appointment
1	Mr. Mahaveer. S. D.	Manager	July 17, 2017
2	Mr. K. C. Raman	Chief Financial Officer	March 28, 2016
3	Ms. N. Shambhavi	Company Secretary	March 15, 2019

Number of Meetings of the Board of Directors

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

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

Date	Strength	No. of Directors Present
April 22, 2019	5	5
July 11, 2019	4	3
October 9, 2019	4	4
January 11, 2020	4	4

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)
- 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

The Independent Directors have the freedom to interact with the Company's management. Interactions happen during the Board / Committee Meetings, when senior company personnel are asked to make presentations about performance of the Company. Presentations are made regularly to the Board/NRC/AC (minutes of Board, AC and NRC are circulated to the Board), Presentations, inter alia cover business strategies, management structure, management development and planning, half-yearly and annual results, budgets, treasury, review of Internal Audit reports, risk management, etc.

Audit Committee

The Company has constituted an Audit Committee in terms of the requirements of the Act. During the year the Audit Committee was reconstituted with inclusion of Mr. Pramod Sushila Kapoor in place of Mr. Karthikeyan TV. As on March 31, 2020 the Audit Committee comprised of Dr. A. Veeraragavan, Ms. Samyuktha Surendran and Mr. Pramod Sushila Kapoor.

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

Date	Strength	No. of Members Present
April 22, 2019	3	3
July 11, 2019	3	2
October 9, 2019	3	3
January 11, 2020	3	3

Vigil Mechanism / Whistle Blower Policy

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

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

Company Policy on Director Appointment and Remuneration

The Company has constituted a Nomination and Remuneration Committee in terms of Companies Act, 2013 comprising of Dr. A. Veeraragavan, Ms. Samyuktha Surendran and Mr. R. G. Ramachandran as members.

During the year, two Meetings of the Nomination and Remuneration Committee were held as detailed hereunder:

Date	Strength	No. of Members Present
April 22, 2019	3	3
January 11, 2020	3	3

The Committee had formulated a policy on Director's appointment and remuneration including recommendation of remuneration of the KMP and the criteria for determining qualifications, positive attributes and independence of a Director 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, 2020, the Audit Committee and the Board are of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

Directors Responsibility Statement

The Board of Directors of the Company confirms that:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.

- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the Annual Accounts on a going concern basis.
- e) The Directors have laid down an adequate system of internal financial control with respect to reporting on financial statements and the said system is operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

Performance Evaluation of the Board, its Committees and Directors

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

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

Further, the Independent Directors reviewed the performance of Board, Committees, and Non-Executive Directors. The performance evaluation of the Board, Committees and Directors was also reviewed by the Nomination and Remuneration Committee and the Board of Directors.

Compliance with Secretarial Standards on Board and Annual General Meetings

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

Protection of Women at Workplace

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

Auditors Report

The Auditors' Reports on the financial statements for the financial year 2019-20 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.

Auditor

The Company at the 2nd Annual General Meeting (AGM) held on September 25, 2015 had appointed M/s M. K. Dandeker & Co, Chartered Accountants, (ICAI Registration no: 000679S), Chennai as Statutory Auditors of the Company to hold office until the conclusion of the AGM to be held in the year 2020.

Secretarial Auditor

M/s. Balaji Rajan & Associates, Company Secretary in practice (C.O.P.No.6965) was appointed to conduct the secretarial audit of the Company for the financial year 2019 – 20, as required under Section 204 of the Act and Rules thereunder. The secretarial audit report to the Shareholders for the financial year 2019-20 is attached to this report as '**Annexure 2**'.

Cost auditor

M/s. Srinivasan Damodaram & Associates, Cost Accountant (Membership No.000825), was appointed as Cost Auditor of the Company for audit of cost accounting records for the financial year 2019-20, pursuant to the provisions of Section 148 of the Act and Rule 3 and 4 of the Companies (Cost Records and Audit) Amendment Rules, 2014. The Report of the Cost Auditors for the financial year 2019 – 20 would be filed with the Ministry of Corporate Affairs once the same is finalized.

The Cost audit report for the year 2018 – 19 was filed with Ministry of Corporate Affairs.

Extract of Annual Return

The extract of the annual return in Form No. MGT – 9 is enclosed to this Report as '**Annexure 3**'.

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, stock exchanges and all the stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

Date: July 7, 2020
Place: Chennai

Pramod Sushila Kapoor	R.G.Ramachandran
<i>Director</i>	<i>Director</i>
<i>DIN: 02914307</i>	<i>DIN: 02671982</i>

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms-length transactions under the third proviso thereto

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

1. Details of contracts or arrangements or transactions not at arm's length basis

The Company has not entered into such transactions during the year.

2. Details of material contracts or arrangement or transactions at arm's length basis

- a. There were no contracts or arrangements entered into by the Company with related party(s) during the FY 2019 – 20 which required shareholders' approval as per Sec. 188(1) of the Companies Act, 2013
- b. The details of related party transactions during the FY 2019 – 20 form part of the financial statements as per Ind AS 24 and the same is given in Notes to accounts

For and on behalf of the Board

Date: July 7, 2020
Place: Chennai

Pramod Sushila Kapoor
Director
DIN: 02914307

R.G.Ramachandran
Director
DIN: 02671982

FORMNO.MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year 2019-20

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

To

The Members,

M/S L&T SAMBALPUR-ROURKELA TOLLWAY LIMITED,

Chennai.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. L&T SAMBALPUR-ROURKELA TOLLWAY LIMITED (CIN:U45206TN2013PLC093395)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **M/s. L&T SAMBALPUR-ROURKELA TOLLWAY LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended 31st March 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, paper, minute books, forms and returns filed other records maintained by **M/s L&T SAMBALPUR-ROURKELA TOLLWAY LIMITED (“the Company”)** for the Financial Year ended on 31st March 2020 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The National Highways Authority of India Act, 1988.

M/s L&T SAMBALPUR-ROURKELA TOLLWAY LIMITED is an unlisted public limited company and hence compliance under the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992(‘SEBI Act’) viz:

- i. The Securities and Exchange Board of India (substantial Acquisition of shares and Takeovers) Regulations, 2011
- ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 ;
- iii. The Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations, 2009

- iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008,
- vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client,
- vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

are NOT ATTRACTED.

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

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

Further that the management of the Company as informed that all the Related Party Transactions entered by the Company during the period under review have been entered at arm's length basis and in the ordinary course of business and therefore, compliance of provisions of Companies Act, 2013 in respect of any of these transactions do not arise.

I further report that the Board of Directors of the Company is constituted with Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the periods under reviews were carried out in compliance with the provisions of the Act.

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

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

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

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

I further report that during the period under review, the Board of Directors of the Company has approved the following major items:

- appointment of Mr. Pramod Sushila Kapoor (DIN 02914307) as Additional Director of the Company w.e.f. 22/04/2019.
- resignation of Mr. T.V.Karthikeyan (DIN 01367727) from the position of Director of the Company w.e.f. 01/05/2019.

I further report that during the audit period the company has obtained the approval of its members for the following major items:

- Alteration of Articles of Association of the Company for annexing PART A which comprise of clause no.1 to 13 in the Extra-Ordinary General Meeting held on 24/05/2019
- Mr. Pramod Sushila Kapoor, appointed as Additional Director by the Board of Directors on 22/04/2019 has been appointed as Director in the Annual General Meeting held on 24/09/2019;
- Mr.A.Veeraragavan and Ms. Samyuktha Surendran have been re-appointed as Independent Directors for a period of five years from 30/03/2020 to 29/03/2025 in the Extra-Ordinary General Meeting held on 02/03/2020.

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

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

Place: Chennai

Date: 07/07/2020

UDIN: **F006470B000422215**

To
The Members,
M/S L&T SAMBALPUR-ROURKELA TOLLWAY LIMITED,
Chennai.

Annexure A

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

- a) Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Record based on our audit
- b) We have followed the audit practices and processes that were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- d) Wherever required, we have obtained Management representation about the compliance of laws, rules and regulation and happenings of events etc.
- e) The Compliance of the provisions of corporate and other applicable laws, rules and regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management conducted the affairs of the Company.

Place: Chennai
Date: 07/07/2020

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON March 31, 2020

[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	U45206TN2013PLC093395
Registration Date	18/10/2013
Name of the Company	L&T Sambalpur - Rourkela Tollway Limited
Category / Sub-Category of the Company	Company Limited By Shares / Indian Non-Government Company
Address of the Registered office and contact details	Mount Poonamallee Road, Manapakkam, Chennai- 600089 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 motorways, streets, roads, other vehicular and pedestrian ways, highways, bridges, tunnels and subways	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and CIN/GLN of the Company	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	L&T Infrastructure Development Projects Limited (L&T IDPL) CIN:U65993TN2001PLC046691	Holding	99.99%	2(46)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	290029993	-	290029993	99.99	290029993	-	290029993	99.99	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	290029993	-	290029993	99.99	290029993	-	290029993	99.99	-
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)	290029993	-	290029993	99.99	290029993	-	290029993	99.99	-
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-

2) Non-Institutions										
a) Bodies Corp.										
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	5*	2	7*	0.01	7*	-	7*	0.01	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):-	5*	2	7*	0.01	7*	-	7*	0.01	-	-
Total shareholding of Public Shareholding (B) =(B)(1)+(B)(2)	5*	2	7*	0.01	7*	-	7*	0.01	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	290029998*	2	290030000*	100	290030000*	-	290030000*	100	-	-

* Including Shares held by individuals jointly with L&T Infrastructure Development Projects Limited.

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held as on April 1, 2019			No. of Shares held as on March 31, 2020			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	L&T IDPL	290029993	99.99	-	290029993	99.99	-	-
	Total	290029993	99.99	-	290029993	99.99	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change): 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. T.S.Venkatesan				
	As on April 1, 2019	2	0	2	0
	No change in Shareholding during the year	-	-	-	-
	As on March 31, 2020	2	0	2	0
2	Mr. P.Padmanabhan jointly with L&T IDPL				
	As on April 1, 2019	1	0	1	0
	No change in Shareholding during the year	-	-	-	-
	As on March 31, 2020	1	0	1	0
3	Dr. Esther Malini jointly with L&T IDPL				
	As on April 1, 2019	1	0	1	0
	No change in Shareholding during the year	-	-	-	-
	As on March 31, 2020	1	0	1	0
4	Mr. P.G.Suresh Kumar jointly with L&T IDPL				
	As on April 1, 2019	1	0	1	0
	No change in Shareholding during the year	-	-	-	-
	As on March 31, 2020	1	0	1	0
5.	Mr. Karthikeyan TV jointly with L&T IDPL				
	As on April 1, 2019	1	0	1	0
	No change in Shareholding during the year	-	-	-	-
	As on March 31, 2020	1	0	1	0

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For Each Director / KMP	No. of shares	% of total shares	Cumulative Shareholding during the year	
				No. of shares	% of total shares
1.	Mr. R.G.Ramachandran jointly with L&T IDPL				
	As on April 1, 2019	1	0	1	0
	No change in Shareholding during the year	-	-	-	-
	As on March 31, 2020	1	0	1	0

V. INDEBTEDNESS

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

(Amount in Rs.)

Particulars	Secured loans	Unsecured Loans	Total Indebtedness
Indebtedness at the beginning of the year			
i) Principal amount	9,929,338,905	153,781,222	10,083,120,127
ii) Interest accrued but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	9,929,338,905	153,781,222	10,083,120,127
Change in Indebtedness during the financial year			
Addition	-	9,493,868	9,493,868
Reduction	(302,317,001)	-	(302,317,001)
Net change	(302,317,001)	9,493,868	(292,823,133)
Indebtedness at the end of the year			
i) Principal amount	9,627,021,904	163,275,090	9,790,296,994
ii) Interest accrued but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	9,627,021,904	163,275,090	9,790,296,994

VI. Remuneration of Directors And Key Managerial Personnel

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

(Amount in Rs.)

S. No.	Particulars of Remuneration	Manager: Mr. Mahaveer S.D.	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	48,50,300	48,50,300
	(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	—	—
5.	Others, please specify	—	—
	Total	48,50,300	48,50,300
	Ceiling as per the Act	1,27,09,812	1,27,09,812

B. Remuneration to other directors:

(Amount in Rs.)

S. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Dr. A. Veeraragavan	Ms. Samyuktha Surendran	
1	Independent Directors			
	Fee for attending Board / Committee Meeting	1,15,000	1,60,000	2,75,000
	Commission	—	—	—
	Others	—	—	—
	Total (1)	1,15,000	1,60,000	2,75,000
2.	Other Non – Executive Directors			
	1. Mr. P. S. Kapoor			
	2. Mr. R. G. Ramachandran			—
	No Fee for attending Board Meeting / Committee Meeting and No Commission			—
	Total (2)			—
	Total (B)=(1+2)	1,15,000	1,60,000	2,75,000
	Overall Ceiling as per the Act	Sitting fees not more than Rs.100000 per meeting of Board or Committee.		

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

No remuneration was paid to Key Managerial Personnel other than Manager. Mr. K. C. Raman, CFO and Ms. N. Shambhavi are employed by the Holding Company and Ultimate Holding Company.

VII. Penalties / punishment/ compounding of offences: NIL

For and on behalf of the Board

Date: July 7, 2020

Place: Chennai

Pramod Sushila Kapoor

Director

DIN: 02914307

R.G.Ramachandran

Director

DIN: 02671982

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. L&T Sambalpur Rourkela Tollway Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **L&T Sambalpur Rourkela Tollway Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the 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 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, 2020, and loss, 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 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 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 Ind AS 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 Ind AS financial statements and our auditor's report thereon.

Our opinion on the 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 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 Ind AS 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) the Act with respect to the preparation of these 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 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 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS 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 Ind AS 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.

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 Ind AS financial statements comply with the Indian 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - 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)**

Date: April 30, 2020

Place: Chennai

UDIN: 20223754AAAADP7166

S. Poosaidurai

Partner

Chartered Accountants

Membership No. 223754

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 Company does not have any immovable properties and hence clause 3 (i)(c) of the Companies (Auditor's Report) Order 2016 is not applicable.
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 not 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.
4. The Company has not entered into any transaction in respect of loans, investments, guarantees and securities, which attracts provisions of section 185 and 186 of the Companies Act, 2013. Therefore, the paragraph 3(iv) of the of Companies (Auditor's Report) order 2016 is not applicable to the Company.
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 Company is maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act in respect of services carried out by the Company.
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, cess and any other statutory dues with the appropriate authorities.
b. According to the information and explanation given to us, the details of statutory dues which have not been deposited as on March 31, 2020 on account of disputes are given below:

Particulars	Period to which amount relates	Forum where the dispute is pending	Amount (in ₹)
Income Tax	A.Y. 2016-17	CIT (Appeals)	17,24,196

5. The Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, and Government.
6. According to the information and explanation given to us, the Company has not raised moneys by way of initial public offer or further public offer (including Debt instruments) or term loans during the year and hence clause 3 (ix) of the Companies (Auditor's Report) Order 2016 is not applicable.
7. 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.
8. 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.
9. The Company is not a Nidhi Company and hence clause 3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable.
10. 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 Ind AS financial statements as required by the applicable accounting standards.
11. 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.
12. 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.
13. 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)**

Date: April 30, 2020

Place: Chennai

UDIN: 20223754AAAADP7166

S. Poosaidurai

Partner

Chartered Accountants

Membership No. 223754

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 Sambalpur Rourkela Tollway Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 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 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 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 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, 2020, 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. Dandekar & Co.,
(ICAI Regn. No. 000679S)**

Date: April 30, 2020

Place: Chennai

UDIN: 20223754AAAADP7166

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

L&T Sambalpur Rourkela Tollway Limited
CIN:U45206TN2013PLC093395
Balance Sheet as at March 31, 2020

Particulars	Note	As at March 31, 2020 ₹	As at March 31, 2019 ₹
ASSETS			
(1) Non-current assets			
a) Property, plant and equipment	1	2,84,80,230	3,12,34,455
b) Intangible assets	2	9,96,67,38,771	10,32,86,53,690
c) Intangible assets under development	3	-	26,18,65,545
d) Financial assets			
i) Security deposits	4 b	32,20,587	28,96,789
ii) Government grant receivable	4 c	48,10,75,000	93,74,50,000
e) Other non-current assets	4 e	34,97,392	-
		10,48,30,11,980	11,56,21,00,479
(2) Current assets			
a) Financial assets			
i) Investments	5	25,62,57,415	89,83,25,660
ii) Cash and cash equivalents	6	1,04,89,84,530	23,56,76,525
iii) Other receivables	4 a	11,69,03,832	10,44,49,838
iv) Government grant receivable	4 c	60,75,03,140	57,51,03,140
b) Current tax assets (net)	4 d	7,10,018	54,03,793
c) Other current assets	4 e	2,64,86,596	1,66,46,252
		2,05,68,45,531	1,83,56,05,208
TOTAL ASSETS		12,53,98,57,511	13,39,77,05,687
EQUITY AND LIABILITIES			
EQUITY			
a) Equity share capital	7	2,90,03,00,000	2,90,03,00,000
b) Other equity	8	(1,13,32,47,454)	(66,37,17,446)
		1,76,70,52,546	2,23,65,82,554
LIABILITIES			
(1) Non-current liabilities			
a) Financial liabilities			
i) Borrowings	9	9,11,87,85,904	9,62,44,18,905
b) Provisions	10	34,07,06,767	15,85,84,050
		9,45,94,92,671	9,78,30,02,955
(2) Current liabilities			
a) Financial liabilities			
i) Trade payables	11	27,28,906	1,33,12,140
ii) Other Financial liabilities	12	1,03,45,17,645	94,81,85,953
b) Other current liabilities	13	27,41,97,307	41,49,14,174
c) Provisions	10	18,68,435	17,07,911
		1,31,33,12,294	1,37,81,20,178
TOTAL EQUITY AND LIABILITIES		12,53,98,57,511	13,39,77,05,687
Contingent liabilities	A		
Commitments	B		
Other notes forming part of accounts	C		
Significant accounting policies	D		

As per our report attached
For M.K.Dandekar & Co.
Chartered Accountants
(Firm registration no.000679S)
by the hand of

For and on behalf of the Board

S. Poosaidurai
Partner
Membership No. 223754

R.G. Ramchandran
Director
(DIN: 02671982)

Pramod Sushila Kapoor
Director
(DIN: 02914307)

K.C.Raman
Chief Financial Officer

Shambhavi Nagarajan
Company Secretary
(M.No.A56181)

Place: Chennai
Date: 30th April 2020

Place: Chennai
Date: 30th April 2020

L&T Sambalpur Rourkela Tollway Limited
CIN:U45206TN2013PLC093395
Statement of Profit and loss for the year ended March 31, 2020

Particulars	Note	Year Ended March 31, 2020 ₹	Year Ended March 31, 2019 ₹
REVENUE			
Revenue from Operations	14	1,57,58,35,435	1,44,06,35,126
Construction contract revenue		1,24,84,399	80,21,92,754
Other income	15	6,27,25,275	2,47,80,929
Total income		1,65,10,45,109	2,26,76,08,809
EXPENSES			
Construction contract expenses		1,24,84,399	80,21,92,754
Operating expenses	16	38,56,09,488	33,90,00,877
Employee benefit expenses	17	3,69,30,897	6,20,23,136
Finance costs	18	1,02,66,91,242	97,15,08,032
Depreciation, amortisation and obsolescence	1 & 2	62,93,00,845	62,25,02,129
Administration and other expenses	19	3,12,58,883	4,60,20,674
Total expenses		2,12,22,75,754	2,84,32,47,602
Profit/(loss) before tax		(47,12,30,645)	(57,56,38,793)
Tax Expenses			
Current tax pertaining to prior year		7,19,642	-
Profit/(loss) for the year		(47,19,50,287)	(57,56,38,793)
Other comprehensive income			
i) Items that will not be reclassified to profit or loss (net of tax)			
- Remeasurements of defined benefit plans		24,20,279	(43,866)
Total comprehensive income for the year		(46,95,30,008)	(57,56,82,659)
Earnings per equity share (Basic and Diluted)	C (9)	(1.63)	(1.98)
Face value per equity share		10.00	10.00
Other notes forming part of accounts	C		
Significant accounting policies	D		

As per our report attached

For and on behalf of **the Board**

For M.K.Dandekar & Co.

Chartered Accountants
(Firm registration no.000679S)

by the hand of

R.G. Ramchandran
Director
(DIN: 02671982)

Pramod Sushila Kapoor
Director
(DIN: 02914307)

S. Poosaidurai

Partner

Membership No. 223754

K.C.Raman
Chief Financial Officer

Shambhavi Nagarajan
Company Secretary
(M.No.A56181)

Place: Chennai

Date: 30th April 2020

Place: Chennai

Date: 30th April 2020

L&T Sambalpur Rourkela Tollway Limited
CIN:U45206TN2013PLC093395
Cash Flow Statement for the year ended March 31, 2020

S.No.	Particulars	Year Ended March 31, 2020 ₹	Year Ended March 31, 2019 ₹
A	Cash flow from operating activities		
	Net profit / (loss) before tax and extraordinary items	(47,12,30,645)	(57,56,38,793)
	Adjustments for		
	Depreciation and amortisation expense	62,93,00,845	62,25,02,129
	Finance Costs	1,02,66,91,242	97,15,08,032
	Other comprehensive income	24,20,279	(43,866)
	Financial asset income	(9,30,00,000)	(12,97,00,000)
	Interest income	(15,03,054)	(57,93,503)
	(Profit)/ loss on sale of current investments	(6,09,12,960)	(1,02,08,324)
	(Profit)/ loss on sale of Property, Plant & Equipment	1,34,441	2,915
	Operating profit before working capital changes	1,03,19,00,148	87,26,28,590
	Adjustments for:		
	Increase / (Decrease) in long term provisions	16,33,08,013	14,35,87,640
	Increase / (Decrease) in trade payables	(1,05,83,234)	1,02,77,479
	Increase / (Decrease) in other current liabilities	(13,02,45,990)	25,08,21,657
	Increase / (Decrease) in short term provisions	1,60,524	(3,47,952)
	(Increase) / Decrease in long term loans and advances	(3,23,798)	(11,843)
	(Increase) / Decrease in other receivables	(1,24,53,994)	48,58,850
	(Increase) / Decrease in other current assets	(1,33,37,736)	(77,23,411)
	Net cash generated from/ (used in) operating activities	1,02,84,23,934	1,27,40,91,010
	Net income tax (paid)/ refunds	39,74,133	50,35,489
	Net Cash (used in)/ generated from Operating Activities	1,03,23,98,067	1,27,91,26,499
B	Cash flow from investing activities		
	Purchase of Property, Plant & Equipment	(14,07,24,034)	(1,27,51,82,600)
	Sale of Property, Plant & Equipment	8,74,384	9,41,645
	(Purchase)/ sale of current investments (net)	70,29,81,205	(87,08,17,340)
	Interest received	15,03,054	57,93,503
	Net cash (used in)/generated from investing activities	56,46,34,609	(2,13,92,64,792)
C	Cash flow from financing activities		
	Proceeds from short term borrowings	-	15,37,81,222
	Proceeds/(repayment) from long term borrowings	(30,51,15,166)	88,08,24,785
	Proceeds from Government Grant	51,69,75,000	92,14,98,793
	Interest paid	(99,55,84,505)	(96,75,90,492)
	Net cash (used in)/generated from financing activities	(78,37,24,671)	98,85,14,308
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	81,33,08,005	12,83,76,015
	Cash and cash equivalents as at the beginning of the year	23,56,76,525	10,73,00,510
	Cash and cash equivalents as at the end of the year	1,04,89,84,530	23,56,76,525
	Other notes forming part of accounts	C	
	Significant accounting policies	D	

Notes:

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

As per our report attached

For M.K.Dandeker & Co.

Chartered Accountants

(Firm registration no.000679S)

by the hand of

S. Poosaidurai

Partner

Membership No. 223754

For and on behalf of the Board

R.G. Ramchandran
Director
(DIN: 02671982)

Pramod Sushila Kapoor
Director
(DIN: 02914307)

K.C.Raman
Chief Financial Officer

Shambhavi Nagarajan
Company Secretary
(M.No.A56181)

Place: Chennai

Date: 30th April 2020

Place: Chennai

Date: 30th April 2020

L&T Sambalpur Rourkela Tollway Limited
CIN:U45206TN2013PLC093395

Statement of Changes in Equity for the year ended March 31, 2020

A. Equity share capital		
Particulars	No. of shares	₹
Balance at the beginning of the year	29,00,30,000	2,90,03,00,000
Changes in equity share capital	-	-
Balance at the end of the year	29,00,30,000	2,90,03,00,000

B. Other Equity		
Particulars	Retained earnings	Total
Balance at the beginning of the year	(66,37,17,445)	(66,37,17,445)
Profit/(loss) for the year	(47,19,50,287)	(47,19,50,287)
Other comprehensive income	24,20,279	24,20,279
Balance at the end of the year	(1,13,32,47,453)	(1,13,32,47,453)

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	29,00,30,000	2,90,03,00,000
Changes in equity share capital	-	-
Balance at the end of the year	29,00,30,000	2,90,03,00,000

B. Other Equity		
Particulars	Retained earnings	Total
Balance at the beginning of the year	(8,80,34,786)	(8,80,34,786)
Profit/(loss) for the year	(57,56,38,793)	(57,56,38,793)
Other comprehensive income	(43,866)	(43,866)
Balance at the end of the year	(66,37,17,445)	(66,37,17,445)

Other notes forming part of accounts C
 Significant accounting policies D

As per our report attached

For M.K.Dandeker & Co.

Chartered Accountants

(Firm registration no.000679S)

by the hand of

S. Poosaidurai

Partner

Membership No. 223754

Place: Chennai

Date: 30th April 2020

For and on behalf of the Board

R.G. Ramchandran
 Director
 (DIN: 02671982)

Pramod Sushila Kapoor
 Director
 (DIN: 02914307)

K.C.Raman
 Chief Financial Officer

Shambhavi Nagarajan
 Company Secretary
 (M.No.A56181)

Place: Chennai

Date: 30th April 2020

L&T Sambalpur Rourkela Tollway Limited
Notes forming part of Accounts for the year ended March 31, 2020

1 Property, plant and equipment

Particulars	Cost			Depreciation				Book Value		
	As at April 01, 2019	Additions	Disposals	As at March 31, 2020	As at April 01, 2019	For the year	On disposals	As at March 31, 2020	As at March 31, 2020	As as March 31, 2019
Owned										
Plant and equipment	3,15,898	17,77,537	-	20,93,435	36,329	1,50,254	-	1,86,583	19,06,852	2,79,569
Furniture and fixtures	60,77,504	-	12,83,415	47,94,089	15,21,989	4,21,657	5,42,022	14,01,624	33,92,465	45,55,515
Vehicles	91,13,519	-	-	91,13,519	18,21,059	13,70,146	-	31,91,205	59,22,314	72,92,460
Office equipment	33,00,742	57,709	4,67,301	28,91,150	17,39,585	4,33,749	4,45,861	17,27,473	11,63,677	15,61,157
Electrical installations	1,92,70,498	9,98,222	27,570	2,02,41,150	34,69,701	19,36,544	7,122	53,99,123	1,48,42,027	1,58,00,797
Air conditioning and refrigeration	10,79,413	-	1,64,611	9,14,802	10,79,379	-	1,64,602	9,14,777	25	34
Computers, laptops and printers	48,86,165	9,41,510	14,86,005	43,41,670	31,41,242	12,08,028	12,60,470	30,88,800	12,52,870	17,44,923
Total	4,40,43,739	37,74,978	34,28,902	4,43,89,815	1,28,09,284	55,20,378	24,20,077	1,59,09,585	2,84,80,230	3,12,34,455
<i>Previous year</i>	<i>4,30,18,162</i>	<i>21,09,997</i>	<i>10,84,420</i>	<i>4,40,43,739</i>	<i>70,95,824</i>	<i>58,53,320</i>	<i>1,39,860</i>	<i>1,28,09,284</i>	<i>3,12,34,455</i>	<i>3,59,22,338</i>

2 Intangible Assets

Particulars	Cost			Amortisation				Book Value		
	As at April 01, 2019	Additions	Disposals	As at March 31, 2020	As at April 01, 2019	For the year	On disposals	As at March 31, 2020	As at March 31, 2020	As as March 31, 2019
Specialised software	53,01,437	-	-	53,01,437	25,03,457	17,67,145	-	42,70,602	10,30,835	27,97,980
Toll collection rights*	10,99,18,80,779	26,18,65,548	-	11,25,37,46,327	66,60,25,069	62,20,13,322	-	1,28,80,38,391	9,96,57,07,936	10,32,58,55,710
Total	10,99,71,82,216	26,18,65,548	-	11,25,90,47,764	66,85,28,526	62,37,80,467	-	1,29,23,08,993	9,96,67,38,771	10,32,86,53,690
<i>Previous year</i>	<i>10,19,55,87,526</i>	<i>80,15,94,690</i>	<i>-</i>	<i>10,99,71,82,216</i>	<i>5,18,79,717</i>	<i>61,66,48,809</i>	<i>-</i>	<i>66,85,28,526</i>	<i>10,32,86,53,690</i>	<i>10,14,37,07,809</i>

3 Intangible Assets under development

Particulars	Cost			As at March 31, 2020
	As at April 01, 2019	Additions	Capitalised during the year	
Construction cost**	26,18,65,548	-	26,18,65,548	-
Total	26,18,65,548	-	26,18,65,548	-
<i>Previous year</i>	<i>10,29,90,01,726</i>	<i>2,49,14,14,904</i>	<i>12,52,85,51,084</i>	<i>26,18,65,548</i>

* Toll collection rights includes discounted value of grant receivable from OWD amounting to Rs. 4,33,38,00,000/-

** The Independent engineer had vide their letter ref AA/HW/L&T SRTL/1700/2019-20/3780 dated 12th August 2019 has issued the Provisional Completion Certificate for remaining 2.16 Km w.e.f. 12th August 2019. Accordingly, 100% of the Toll Collection Rights has been capitalised.

L&T Sambalpur Rourkela Tollway Limited

Notes forming part of Accounts for the year ended March 31, 2020

1 Property, plant and equipment (at cost or deemed cost)

₹

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 at April 01, 2018
Owned										
Plant and Equipment	2,14,300	1,01,598	-	3,15,898	5,586	30,743	-	36,329	2,79,569	2,08,714
Furniture and fixtures	60,77,504	-	-	60,77,504	8,74,941	6,47,048	-	15,21,989	45,55,515	52,02,563
Vehicles	89,73,068	7,00,451	5,60,000	91,13,519	5,13,004	13,33,770	25,715	18,21,059	72,92,460	84,60,064
Office equipment	31,92,644	1,08,098	-	33,00,742	12,42,318	4,97,267	-	17,39,585	15,61,157	19,50,326
Electrical installations	1,85,69,179	7,01,319	-	1,92,70,498	15,60,183	19,09,518	-	34,69,701	1,58,00,797	1,70,08,996
Air conditioning and Refrigeration	10,79,413	-	-	10,79,413	10,66,712	12,667	-	10,79,379	34	12,701
Computers, laptops and printers	49,12,054	4,98,531	5,24,420	48,86,165	18,33,080	14,22,307	1,14,145	31,41,242	17,44,923	30,78,974
Total	4,30,18,162	21,09,997	10,84,420	4,40,43,739	70,95,824	58,53,320	1,39,860	1,28,09,284	3,12,34,455	3,59,22,338
<i>Previous year</i>	<i>71,74,534</i>	<i>3,63,61,760</i>	<i>5,18,132</i>	<i>4,30,18,162</i>	<i>27,89,206</i>	<i>45,57,126</i>	<i>2,50,508</i>	<i>70,95,824</i>	<i>3,59,22,338</i>	<i>43,85,328</i>

2 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 April 01, 2018
Specialised software	53,01,437	-	-	53,01,437	7,36,311	17,67,146	-	25,03,457	27,97,980	45,65,126
Toll collection rights*	10,19,02,86,089	80,15,94,690	-	10,99,18,80,779	5,11,43,406	61,48,81,663	-	66,60,25,069	10,32,58,55,710	10,13,91,42,683
Total	10,19,55,87,526	80,15,94,690	-	10,99,71,82,216	5,18,79,717	61,66,48,809	-	66,85,28,526	10,32,86,53,690	10,14,37,07,809
<i>Previous year</i>	<i>-</i>	<i>10,19,55,87,526</i>	<i>-</i>	<i>10,19,55,87,526</i>	<i>-</i>	<i>5,18,79,717</i>	<i>-</i>	<i>5,18,79,717</i>	<i>10,14,37,07,809</i>	<i>-</i>

3 Intangible Assets under development

₹

Particulars	Cost			
	As at April 01, 2018	Additions	Capitalised during the year	As at March 31, 2019
Construction cost	26,18,65,546	-	-	26,18,65,546
Total	26,18,65,546	-	-	26,18,65,546
<i>Previous year</i>	<i>10,29,90,01,726</i>	<i>2,49,14,14,904</i>	<i>12,52,85,51,084</i>	<i>26,18,65,546</i>

L&T Sambalpur Rourkela Tollway Limited

Notes forming part of Accounts for the year ended March 31, 2020

4 Financial Asset

4 a Other receivables

Particulars	As at March 31, 2020			As at March 31, 2019		
	Current ₹	Non-current ₹	Total ₹	Current ₹	Non-current ₹	Total ₹
Other receivables	1,25,07,290	-	1,25,07,290	53,296	-	53,296
Retention receivable	10,43,96,542	-	10,43,96,542	10,43,96,542	-	10,43,96,542
	11,69,03,832	-	11,69,03,832	10,44,49,838	-	10,44,49,838

4 b Security deposits

Particulars	As at March 31, 2020			As at March 31, 2019		
	Current ₹	Non-current ₹	Total ₹	Current ₹	Non-current ₹	Total ₹
Security deposits						
Unsecured, considered good	-	32,20,587	32,20,587	-	28,96,789	28,96,789
	-	32,20,587	32,20,587	-	28,96,789	28,96,789

4 c Government grant receivable

Government grant receivable (Refer Note Below)	60,75,03,140	48,10,75,000	1,08,85,78,140	57,51,03,140	93,74,50,000	1,51,25,53,140
	60,75,03,140	48,10,75,000	1,08,85,78,140	57,51,03,140	93,74,50,000	1,51,25,53,140

Note: The amount receivable from the Works Department, Government of Odisha in accordance with the Article 25 of the Concession Agreement is recognized as a financial asset in accordance with Appendix A of IndAS 11 and on the principles of IndAS 109.

4 d Current tax assets (net)

Particulars	As at March 31, 2020			As at March 31, 2019		
	Current ₹	Non-current ₹	Total ₹	Current ₹	Non-current ₹	Total ₹
Income tax net of provisions	7,10,018	-	7,10,018	54,03,793	-	54,03,793
	7,10,018	-	7,10,018	54,03,793	-	54,03,793

L&T Sambalpur Rourkela Tollway Limited
Notes forming part of Accounts for the year ended March 31, 2020

4 e Other non-current and current assets

Particulars	As at March 31, 2020			As at March 31, 2019		
	Current ₹	Non-current ₹	Total ₹	Current ₹	Non-current ₹	Total ₹
Advances other than capital advances						
- Advances to employees	72,913	-	72,913	4,31,337	-	4,31,337
- Advances recoverable in cash or kind	12,10,269	-	12,10,269	14,22,899	-	14,22,899
- Gratuity Plan Asset (Net of provisions)	1,11,621	22,86,890	23,98,511	80,117	-	80,117
- Leave Encashment Plan Asset (Net of provisions)	-	12,10,502	12,10,502	-	-	-
Others						
- Prepaid insurance	1,52,31,821	-	1,52,31,821	70,98,411	-	70,98,411
- GST input credit (net of liability)	66,00,939	-	66,00,939	52,74,583	-	52,74,583
- Prepaid expenses	13,67,921	-	13,67,921	4,47,793	-	4,47,793
- VAT recoverable	18,91,112	-	18,91,112	18,91,112	-	18,91,112
	2,64,86,596	34,97,392	2,99,83,988	1,66,46,252	-	1,66,46,252

L&T Sambalpur Rourkela Tollway Limited
Notes forming part of Accounts for the year ended March 31, 2020

5 Investments

Particulars	<u>As at March 31, 2020</u>	<u>As at March 31, 2019</u>
	Current ₹	Current ₹
Investments carried at fair value through Profit and Loss:		
Liquid Mutual fund units	25,62,57,415	89,83,25,660
	25,62,57,415	89,83,25,660
Aggregate book value of quoted investments	25,62,29,243	88,96,29,797
Aggregate market value of quoted investments	25,62,57,415	89,83,25,660

Details of Mutual Funds Holdings as on March 31, 2020 & March 31, 2019 as as below

Particulars	No. of Units	March 31,2020		March 31,2019
		Cost	Market Value	Market Value
SBI Overnight Fund - Growth	35,419	11,41,94,046	11,42,08,737	-
Axis Overnight Fund - Regular Plan Growth	1,34,671	14,20,35,197	14,20,48,677	-
Axis Mutual Fund		-	-	9,49,76,591
Reliance liquidity fund growth option		-	-	19,07,04,996
IDFC cash fund-growth		-	-	56,06,119
ICICI Prudentials		-	-	6,93,47,383
SBI Premier liquid fund		-	-	15,18,08,492
L&T Liquid Fund - Regular Growth		-	-	10,18,21,864
UTI Liquid Fund - Growth		-	-	14,94,70,424
Tata Liquid fund regular plan growth		-	-	4,26,75,754
Invesco mutual fund		-	-	9,19,14,037

6 Cash and cash equivalents

Particulars	<u>As at March 31, 2020</u>	<u>As at March 31, 2019</u>
	₹	₹
a) Balances with banks		
- In Trust retention and Escrow accounts	90,93,706	1,39,92,931
- In other current accounts	3,20,901	2,96,550
- In Deposit account with original maturity of less than 3 months (including interest accrued thereon)	1,03,14,64,038	20,71,66,899
b) Cash on hand	81,05,885	1,42,20,145
	1,04,89,84,530	23,56,76,525

Note :The trust retention and escrow accounts carry a First charge to the extent of amount payable as per the waterfall mechanism as defined in the Concession agreement / Common loan agreement. As at March 31, 2020, there were no amounts included in this which are restricted/earmarked for any specific purposes by virtue of the said waterfall mechanism.

L&T Sambalpur Rourkela Tollway Limited

Notes forming part of Accounts for the year ended March 31, 2020

7 Share Capital

(i) Authorised, issued, subscribed and paid up

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹	No. of shares	₹
Authorised:				
Equity shares of ₹ 10 each	29,05,00,000	2,90,50,00,000	29,05,00,000	2,90,50,00,000
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	29,00,30,000	2,90,03,00,000	29,00,30,000	2,90,03,00,000
	29,00,30,000	2,90,03,00,000	29,00,30,000	2,90,03,00,000

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹	No. of shares	₹
At the beginning of the year	29,00,30,000	2,90,03,00,000	29,00,30,000	2,90,03,00,000
Issued during the year as fully paid	-	-	-	-
At the end of the year	29,00,30,000	2,90,03,00,000	29,00,30,000	2,90,03,00,000

(iii) Terms / rights attached to shares

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

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

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

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

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹	No. of shares	₹
L&T Infrastructure Development Projects Limited (including nominee holding)	29,00,29,998	2,90,02,99,980	29,00,29,998	2,90,02,99,980
	29,00,29,998	2,90,02,99,980	29,00,29,998	2,90,02,99,980

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	%	No. of shares	%
L&T Infrastructure Development Projects Limited (including nominee holding)	29,00,29,998	99.99%	29,00,29,998	99.99%

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

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

L&T Sambalpur Rourkela Tollway Limited
Notes forming part of Accounts for the year ended March 31, 2020

8 Other Equity

As at March 31, 2020

Particulars	Retained earnings	Total
Balance at the beginning of the year	(66,37,17,446)	(66,37,17,446)
Profit/(loss) for the year	(47,19,50,287)	(47,19,50,287)
Other comprehensive income	24,20,279	24,20,279
Balance at the end of the year	(1,13,32,47,454)	(1,13,32,47,454)

As at March 31, 2019

Particulars	Retained earnings	Total
Balance at the beginning of the year	(8,80,34,786)	(8,80,34,786)
Profit/(loss) for the year	(57,56,38,794)	(57,56,38,794)
Other comprehensive income	(43,866)	(43,866)
Balance at the end of the year	(66,37,17,446)	(66,37,17,446)

L&T Sambalpur Rourkela Tollway Limited
Notes forming part of Accounts for the year ended March 31, 2020

9 Borrowings

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non current ₹	Total ₹	Non current ₹	Total ₹
a) Term loans (Secured)				
i) From banks	9,11,87,85,904	9,11,87,85,904	9,62,44,18,905	9,62,44,18,905
	9,11,87,85,904	9,11,87,85,904	9,62,44,18,905	9,62,44,18,905

Details of Term Loans:

Particulars	Effective interest rate	Terms of repayment
Term loans from banks	11.31%	Repayable in 132 unequal monthly instalments commencing from May, 2018.

Nature of security for Term loans:

- (i) Secured by first charge by way of hypothecation on all movable/immovable assets of the Company, both present and future, excluding Project assets as defined in the Concession Agreement.
- (ii) First charge on Project book debts, operating cash flows, receivables, commissions, insurance proceeds, revenues of whatsoever nature and wherever arising, present and future.
- (iii) Assignment of all the rights, title, interest, benefits, claims and demands, whatsoever of the company.
- (iv) Escrow account to the extent of waterfall of priorities of payment as permitted to the lenders under Escrow Agreement.
- (v) Debt Service Coverage Ratio Support Amount.
- (vi) First charge of all the Company's rights, interests related to the proposed project under the letter of credit (if any), guarantee or performance bond provided by any party.

Presentation of borrowings in the Balance Sheet is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Long term borrowings	9,11,87,85,904	9,62,44,18,905
Current maturities of long term borrowings	50,82,36,000	30,49,20,000

10 Provisions

Particulars	As at March 31, 2020			As at March 31, 2019		
	Current ₹	Non current ₹	Total ₹	Current ₹	Non current ₹	Total ₹
Provision for employee benefits						
- Leave encashment - Net of plan assets	-	-	-	4,33,857	-	4,33,857
- Retention Pay	18,68,435	23,88,689	42,57,124	12,74,054	14,73,352	27,47,406
Provisions for major maintenance reserve - Refer note C (11)b	-	33,83,18,078	33,83,18,078	-	15,71,10,698	15,71,10,698
	18,68,435	34,07,06,767	34,25,75,202	17,07,911	15,85,84,050	16,02,91,961

L&T Sambalpur Rourkela Tollway Limited
Notes forming part of Accounts for the year ended March 31, 2020

11 Trade payables

Particulars	As at March 31, 2020			As at March 31, 2019		
	Current ₹	Non current ₹	Total ₹	Current ₹	Non current ₹	Total ₹
Dues to related parties	7,02,841	-	7,02,841	11,14,707	-	11,14,707
Dues to others	20,26,065	-	20,26,065	1,21,97,433	-	1,21,97,433
	27,28,906	-	27,28,906	1,33,12,140	-	1,33,12,140

12 Other financial liabilities

Particulars	As at March 31, 2020			As at March 31, 2019		
	Current ₹	Non current ₹	Total ₹	Current ₹	Non current ₹	Total ₹
i) Current maturities of long term borrowings	50,82,36,000	-	50,82,36,000	30,49,20,000	-	30,49,20,000
ii) Liabilities for capital goods	36,30,06,555	-	36,30,06,555	48,94,84,731	-	48,94,84,731
iii) Inter corporate deposit (refer note below)	16,32,75,090	-	16,32,75,090	15,37,81,222	-	15,37,81,222
	1,03,45,17,645	-	1,03,45,17,645	94,81,85,953	-	94,81,85,953

Note: Inter corporate deposit was received during the previous year in order to meet the debt equity ratio as per the clause 2.20 of CLA to enable us to apply for 100% of grant. The same will be repaid once the balance construction grant is received.

13 Other current liabilities

Particulars	As at March 31, 2020			As at March 31, 2019		
	Current ₹	Non current ₹	Total ₹	Current ₹	Non current ₹	Total ₹
i) Statutory Liabilities	15,62,092	-	15,62,092	28,21,461	-	28,21,461
ii) Dues to related parties:						
- for capital goods	21,96,395	-	21,96,395	1,26,67,272	-	1,26,67,272
- for services	4,25,159	-	4,25,159	12,74,19,296	-	12,74,19,296
iii) Liability for expenses	4,72,96,525	-	4,72,96,525	10,74,28,416	-	10,74,28,416
iii) Other payables	22,27,17,136	-	22,27,17,136	16,45,77,729	-	16,45,77,729
	27,41,97,307	-	27,41,97,307	41,49,14,174	-	41,49,14,174

A Contingent Liabilities

Particulars	A.Y.	Amount (In Rs.)
Income tax demand	2016-17	17,24,196

B Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) is as below table and not provided for as at March 31, 2020 is Rs. 33,94,910/- (previous year: Rs. Nil)

Description/ Nature of work	As at March 31, 2020	As at March 31, 2019
Toll equipment TMS integration software	19,82,400	-
Purchase of lab equipments	14,12,510	-
Total	33,94,910	-

L&T Sambalpur Rourkela Tollway Limited
Notes forming part of Accounts for the year ended March 31, 2020

14 Revenue from operations

Particulars	2019-20		2018-19	
	₹	₹	₹	₹
Operating revenue:				
Toll collections	1,48,28,35,435		1,31,09,35,126	
		1,48,28,35,435		1,31,09,35,126
Other operating revenue:				
Financial asset income		9,30,00,000		12,97,00,000
		1,57,58,35,435		1,44,06,35,126

15 Other income

Particulars	2019-20		2018-19	
	₹	₹	₹	₹
Interest income from:				
- Bank deposits	9,76,628		52,90,390	
- Others	5,26,426	15,03,054	5,03,113	57,93,503
Net gain/(loss) on financial instruments designated at FVTPL		28,172		86,95,863
Short Term Capital Gain		6,09,12,960		1,02,08,324
Profit/(loss) on disposal of Property, Plant & Equipment		(1,34,441)		(2,915)
Miscellaneous Income		4,15,530		86,154
		6,27,25,275		2,47,80,929

16 Operating expenses

Particulars	2019-20		2018-19	
	₹	₹	₹	₹
Toll management fees		7,70,31,606		7,61,14,677
Security services		2,18,59,627		2,37,39,053
Insurance		1,01,71,405		54,22,900
Concession fee		1		1
Change of scope / Utility shifting expenses (net):				
Income received from Odisha Works Dept.	-		(6,01,67,728)	
Less: Sub-contracting charges	-		6,07,16,094	
				5,48,366
Repairs and maintenance:				
- Toll road & bridges	5,75,94,050		3,59,22,830	
- Plant & Machinery	46,79,532		68,63,066	
- Periodic major maintenance	16,23,92,676		14,50,25,257	
- Others	2,02,56,871		1,49,82,768	
		24,49,23,129		20,27,93,921
Professional fees		90,11,357		97,00,093
Power and fuel		2,26,12,363		2,06,81,866
		38,56,09,488		33,90,00,877

17 Employee benefit expenses

Particulars	2019-20		2018-19	
	₹	₹	₹	₹
Salaries, wages and bonus		2,79,68,541		4,92,18,915
Contributions to and provisions for:				
- Provident fund	17,03,902		22,39,518	
- Gratuity	4,69,123		6,50,569	
- Leave encashment	(13,71,764)		17,29,101	
		8,01,261		46,19,188
Staff welfare expenses		81,61,095		81,85,033
		3,69,30,897		6,20,23,136

L&T Sambalpur Rourkela Tollway Limited
Notes forming part of Accounts for the year ended March 31, 2020

18 Finance costs

Particulars	2019-20		2018-19	
	₹	₹	₹	₹
Interest on borrowings		99,10,11,654		96,09,53,815
Other borrowing cost		1,40,66,719		66,36,677
Unwinding of discount and implicit interest expense on fair value		2,16,12,869		39,17,540
		1,02,66,91,242		97,15,08,032

19 Administration and other expenses

Particulars	2019-20		2018-19	
	₹	₹	₹	₹
Rent, Rates and taxes		21,01,925		15,96,842
Payments to Auditor - refer note below		5,92,927		6,08,881
Professional fees		38,22,985		42,73,239
Postage and communication		25,29,475		32,88,268
Printing and stationery		9,63,625		13,44,587
Travelling and conveyance		1,04,90,938		1,58,35,075
Repairs and Maintenance - Others		59,90,436		1,21,80,830
Bank charges		40,21,147		59,88,675
Miscellaneous expenses		7,45,425		9,04,277
		3,12,58,883		4,60,20,674

(a) Payments to auditor (including taxes) as follows:

Particulars	2019-20	2018-19
	₹	₹
a) As auditor	2,36,000	2,36,000
b) For taxation matters	59,000	59,000
c) For other services	2,97,927	3,13,881
Total	5,92,927	6,08,881

L&T Sambalpur Rourkela Tollway Limited

C Notes forming part of Accounts

1 Corporate Information

L&T Sambalpur Rourkela Tollway Limited is a Special Purpose Vehicle incorporated on 18th Oct 2013 for the purpose of executing and operating the project consist of Four Laning with Paved shoulders of Sambalpur-Rourkela Section of State Highway No.10 (SH-10) from KM 4.9000 to KM 167.9000 in the State of Odisha to be executed as Build, Operate and Transfer (Toll) on DBFOT (Design, Built, Finance, Operate and Transfer) pattern as per the Concession Agreement entered into with the Works Department, Government of Odisha on 8th Nov 2013. The appointed date as specified in terms article 48.1 of the said agreement is 15th July 2014. The Concession Period is for 22 years (including the construction period of 3 years) from the Appointed Date. The company obtained provisional completion certificate upon completion of 159.570 kms on 13th March 2018 and started its commercial operations & the provisional completion certificate for remaining 2.16 KM was obtained on 12th August 2019.

2 The CIF value of imports made during the year in foreign currency is ₹ 8,44,422/- (previous year - ₹ 17,97,189/-).

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

(i) Defined contribution plan:

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

(ii) Defined benefit plans:

The Company operates gratuity plan through LIC's Group Gratuity scheme where every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

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

Particulars	Gratuity plan	
	As at March 31, 2020	As at March 31, 2019
	₹	₹
A) Present value of defined benefit obligation		
- Wholly funded	-	-
- Wholly unfunded	20,52,488	37,20,660
<i>Less</i> : Fair value of plan assets	44,50,999	38,00,777
Amount to be recognised as liability or (asset)	(23,98,511)	(80,117)
B) Amounts reflected in the Balance Sheet		
Liabilities	(23,98,511)	(80,117)
Assets	-	-
Net Liability / (asset)	(23,98,511)	(80,117)

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

Particulars	Gratuity plan	
	As at March 31, 2020	As at March 31, 2019
	₹	₹
1 Current service cost	4,99,176	7,20,980
2 Interest on Defined benefit obligation(Net)	(30,053)	(10,683)
3 Actuarial losses/(gains)		
From changes in demographic assumptions	-	-
From changes in financial assumptions	-	-
4 Past service cost	-	-
5 Adjustment for earlier years	-	-
Total (I to 7)	4,69,123	7,10,297
I Amount included in "employee benefit expenses"	4,69,123	7,10,297
II Amount included as part of "finance costs"	-	-
Total (I + II)	4,69,123	7,10,297
Actual return on plan assets	3,65,046	-

L&T Sambalpur Rourkela Tollway Limited

C Notes forming part of Accounts

c) Remeasurement recognized in other comprehensive income

Particulars	Gratuity plan	
	As at March 31, 2020	As at March 31, 2019
	₹	₹
Components of actuarial gain/losses on obligations		
Due to change in financial assumptions	31,751	42,563
Due to change in demographic assumption	(435)	-
Due to experience adjustments	(23,71,270)	(2,48,108)
Return on plan assets excluding amounts included in interest income	(80,325)	1,61,679
	(24,20,279)	(43,866)

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

Particulars	Gratuity plan	
	As at March 31, 2020	As at March 31, 2019
	₹	₹
Opening balance of the present value of defined benefit obligation	37,20,660	35,98,158
Add: Current service cost	4,99,176	7,20,980
Add: Interest cost	2,54,668	2,52,304
Add/(less): Actuarial losses/(gains)		
Due to change in financial assumptions	31,751	42,563
Due to change in demographic assumption	(435)	-
Due to experience adjustments	(23,71,270)	(2,48,108)
Less: Benefits paid	(82,062)	(6,45,237)
Add: Past service cost	-	-
Closing balance of the present value of defined benefit obligation	20,52,488	37,20,660

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

Particulars	Gratuity plan	
	As at March 31, 2020	As at March 31, 2019
	₹	₹
Opening balance of fair value of plan assets	38,00,777	33,84,011
Add: Expected return on plan assets	80,235	(1,61,679)
Interest Income	2,84,721	2,62,987
Add/(less): Actuarial losses/(gains)		
Add: Contribution by employer	3,67,238	9,60,695
Less: Benefits paid	(82,062)	(6,45,237)
Closing balance of fair value of plan assets	44,50,909	38,00,777

f) The major components of plan assets as a percentage of total plan assets are as follows:

Particulars	Gratuity plan	
	As at March 31, 2020	As at March 31, 2019
Insurer managed funds	100%	100%

L&T Sambalpur Rourkela Tollway Limited**C Notes forming part of Accounts**

g) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at March 31, 2020	As at March 31, 2019
1) Discount rate	6.95%	7.15%
2) Expected Return on Plan Assets	6.95%	7.15%
3) Salary growth rate	6.00%	6.00%
4) Attrition rate	3% to 15%	3% to 15%

h) A quantitative sensitivity analysis for significant assumption as at 31 March 2020

Particulars	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019	As at March 31, 2019
	Change	Obligation	Change	Obligation
i) Discount rate	+0.5%	19,74,610	+0.5%	35,81,887
	-0.5%	21,35,543	-0.5%	38,68,671
ii) Salary growth rate	+0.5%	21,35,913	+0.5%	38,69,606
	-0.5%	19,73,572	-0.5%	35,79,783

i) Expected cashflows based on past service liability

Particulars	Cash flow	Distribution
Year-1	1,11,621	2.90%
Year-2	1,01,496	2.60%
Year-3	1,12,461	2.90%
Year-4	4,03,579	10.30%
Year-5	1,57,133	4.00%
Year-6 to 10	12,46,378	31.90%

The future contributions in the next year towards the defined benefit plan is ₹4,96,594

4 Disclosure pursuant to Ind AS 23 "Borrowing Costs"

Borrowing cost capitalised during the year Rs.Nil (previous year Rs.Nil) and charged to Statement of Profit and loss is Rs. 1,00,50,78,373 (previous year Rs. 96,75,90,492).

L&T Sambalpur Rourkela Tollway Limited

C Notes forming part of Accounts

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

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

6 Disclosure of related parties / related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

a) List of related parties

Ultimate Holding Company : Larsen & Toubro Limited	
Holding Company	: L&T Infrastructure Development Projects Limited
Fellow Subsidiaries :	
	Vadodara Bharuch Tollway Limited
	Western Andhra Tollways Limited (Upto 04/05/2018)
	L&T Samakhiali Gandhidham Tollway Limited
	L&T Halol Shamlaji Tollway Limited
	L&T Rajkot Vadinar Tollway Limited
	L&T Infotech limited
	L&T Deccan Tollways Limited
	L&T Interstate Road Corridor Limited
	L&T Ahmedabad Maliya Tollway Limited
	L&T Infrastructure Engineering Limited
Key Management Personnel:	
Mr. S.D. Mahaveer- Manager	
Mr. Kettavarampalayam Chakrapani Raman -CFO	
Ms.Samyuktha Surendran-Independent Director	
Mr.Veeraragavan Amitthalingam-Independent Director	

b) Disclosure of related party transactions:

Particulars	2019-20	2018-19
	₹	₹
Purchase of goods and services incl. taxes		
• L&T Infrastructure Development Projects Limited	12,03,98,587	39,66,39,373
• Larsen & Toubro Limited	10,94,76,438	23,90,61,256
• L&T Infrastructure Engineering Limited	-	11,79,528
Reimbursement of expenses charged to		
• L&T Infrastructure Development Projects Limited	59,52,978	12,62,746
• Larsen & Toubro Limited	2,48,129	96,076
Purchase of Property, Plant & Equipment		
• L&T Deccan Tollways Limited	68,114	49,012
• L&T Interstate Road Corridor Limited	-	30,812
Sale of Property, Plant & Equipment		
• L&T Infrastructure Development Projects Limited	2,09,932	-
• L&T Deccan Tollways Limited	4,51,247	-
• L&T Halol Shamlaji Tollway Limited	-	49,012
• L&T Interstate Road Corridor Limited	-	77,508
• L&T Samakhiali Gandhidham Tollway Limited	25,035	44,291
• L&T Ahmedabad Maliya Tollway Limited	38,513	19,668
Inter-corporate deposit received		
• L&T Infrastructure Development Projects Limited	-	43,37,81,222
Inter-corporate deposit repaid		
• L&T Infrastructure Development Projects Limited	-	28,00,00,000
Rent paid incl.taxes		
• Larsen & Toubro Limited	7,12,300	7,50,520

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

(Amount in ₹)

Particulars	Amounts due (to)/from	
	As at March 31, 2020	As at March 31, 2019
Ultimate Holding Company Larsen & Toubro Limited Holding Company	(4,25,159)	(13,09,77,706)
L&T Infrastructure Development Projects Limited	(16,61,74,327)	(1,02,67,861)

d) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2019: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

- e) There is no provision for bad and doubtful debts to related parties with regard to outstanding expenses and there is no expense recognized in respect of bad and doubtful debts due from related parties.
- f) The Holding Company L&T Infrastructure Development Projects Limited has provided Bank guarantees on behalf of Company of an amount of ₹31,72,00,000/- as on 31st March 2020 (Previous year ₹29,82,00,000/-) in respect of Debt Service Reserve to senior and sub lenders as per Facility Agreement.

g) Compensation to Key Management personnel

Particulars	As at March 31, 2020	As at March 31, 2019
Directors sitting fees	4,42,500	3,54,000

7 Disclosure pursuant to Ind AS 12 "Income taxes"

The major components of income tax expense for years ended March 31, 2020 and March 31, 2019 are:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Current tax :		
Current income tax	-	-
Adjustments of current tax of previous year	7,19,642	-
Income tax reported in the statement of profit and loss	7,19,642	-

8 Disclosure pursuant to Ind AS 116 "Leases"

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, the application of IND-AS 116 did not have any significant impact on recognition and measurement of lease rental in the financial position and the operational results of the company.

The Company has not entered into any finance lease. The Company has taken office premises and Guest house under short-term cancellable operating lease, but falls under exemption given in para 5 of Ind AS 116. These agreements are normally renewed on expiry. Lease rental expenses charged to statement of profit and loss during the year is Rs. 16,50,640 (previous year Rs. 13,04,985).

L&T Sambalpur Rourkela Tollway Limited**C Notes forming part of Accounts****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		2019-20	2018-19
		₹	₹
Basic and Diluted			
Profit after tax as per accounts (₹)	A	(47,19,50,287)	(57,56,38,793)
Weighted average number of shares outstanding	B	29,00,30,000	29,00,30,000
Basic and Diluted EPS (₹)	A / B	(1.63)	(1.98)
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 (OWD) 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.

b) Movement in provisions:

Particulars	2019-20	2018-19
Provision for periodic major maintenance:		
Opening Balance as at the beginning of the reporting period	15,71,10,698	1,07,92,936
Additional provision	16,23,92,676	14,50,25,257
Unwinding of Interest and changes in discount rate	1,88,14,704	12,92,505
Closing Balance as at the end of the reporting period	33,83,18,078	15,71,10,698

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 comparative amounts are reclassified, nature amount and reason to be disclosed and not just the fact of reclassification.)

13 COVID-19 Disclosure

The Government of India had announced the nationwide lock down with effect from March 25, 2020. Even though the authority has not ordered suspension of Toll operations, the local administration of the state, had imposed ban on movement of public, across the state and imposed Sec 144 of the Criminal Procedure Code (CrPC) in entire state, which has resulted in significant reduction in traffic movement in the state. However, the operations at Toll Plazas continued with respect to the regular maintenance and toll collections.

The duration and impact of the COVID-19 pandemic remains unclear at present as on book closure date. Hence, it is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods. However, the company is protected by the clauses of the Concession Agreement to claim such loss under force majeure event, either in the form of force majeure cost or revenue loss compensation by way of extension of the concession period or by both. The management of the Company will study the impact & the appropriate claim will be lodged after THE lock down period. Accordingly, the financial position and results of operations, as of and for the year ended 31st March 2020 have not been adjusted to reflect their impact.

14 Previous year figures are regrouped/reclassified wherever necessary.

L&T Sambalpur Rourkela Tollway Limited

C Notes forming part of Accounts

15 Financial Instruments

Disclosure of Financial Instruments by Category

Financial instruments by categories	Note no.	As at March 31, 2020			As at March 31, 2019		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial assets							
Security Deposits	4 b	-	-	32,20,587	-	-	28,96,789
Investment in Liquid Mutual Fund	5	25,62,57,415	-	-	89,83,25,660	-	-
Other receivables	4 a	-	-	11,69,03,832	-	-	10,44,49,838
Cash and cash equivalents	6	-	-	1,04,89,84,530	-	-	23,56,76,525
Government grant receivable	4 c	-	-	1,08,85,78,140	-	-	1,51,25,53,140
Total Financial Assets		25,62,57,415	-	2,25,76,87,089	89,83,25,660	-	1,85,55,76,292
Financial liabilities							
Term Loan from Banks	9	-	-	9,62,70,21,904	-	-	9,92,93,38,905
Other Current Financial Liabilities	12	-	-	52,62,81,645	-	-	64,32,65,953
Trade Payables	11	-	-	27,28,906	-	-	1,33,12,140
Total Financial Liabilities		-	-	10,15,60,32,455	-	-	10,58,59,16,998

Default and breaches

There are no defaults with respect to payment of principal and interest 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.

16 Fair value of Financial assets and liabilities at amortized cost

Particular	Note no.	As at March 31, 2020		As at March 31, 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets					
Security Deposits	4 b	32,20,587	32,20,587	28,96,789	28,96,789
Other receivables	4 a	11,69,03,832	11,69,03,832	10,44,49,838	10,44,49,838
Cash and cash equivalents	6	1,04,89,84,530	1,04,89,84,530	23,56,76,525	23,56,76,525
Government grant receivable	4 c	1,08,85,78,140	1,08,85,78,140	1,51,25,53,140	1,51,25,53,140
Total Financial Assets		2,25,76,87,089	2,25,76,87,089	1,85,55,76,292	1,85,55,76,292
Financial liabilities					
Term Loan from Banks	9	9,62,70,21,904	9,62,70,21,904	9,92,93,38,905	9,92,93,38,905
Other Current Financial Liabilities	12	52,62,81,645	52,62,81,645	64,32,65,953	64,32,65,953
Trade Payables	11	27,28,906	27,28,906	1,33,12,140	1,33,12,140
Total Financial Liabilities		10,15,60,32,455	10,15,60,32,455	10,58,59,16,998	10,58,59,16,998

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

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

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

Refer Note C(18) for information on Financial Assets pledged as security.

17 Fair Value Measurement

Fair Value Measurement of Financial assets and Financial liabilities

Fair value hierarchy

As at March 31, 2020

Financial Assets & Liabilities Measured at FV - Recurring FVM	Note No.	Level 1	Level 2	Level 3	Total
Financial assets measured at FVTPL					
Investment in Liquid Mutual Fund Units	5	25,62,57,415	-	-	25,62,57,415
Total of Financial Assets		25,62,57,415	-	-	25,62,57,415

Financial Assets & 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 b	-	32,20,587	-	32,20,587
Other receivables	4 a	-	11,69,03,832	-	11,69,03,832
Government grant receivable	4 c	-	1,08,85,78,140	-	1,08,85,78,140
Cash and cash equivalents	6	-	1,04,89,84,530	-	1,04,89,84,530
Total of Financial Assets		-	1,20,87,02,559	-	1,20,87,02,559
Financial Liabilities					
Term Loan from Banks	9	-	9,62,70,21,904	-	9,62,70,21,904
Other Current Financial Liabilities	12	-	52,62,81,645	-	52,62,81,645
Trade Payables	11	-	27,28,906	-	27,28,906
Total Financial liabilities		-	10,15,60,32,455	-	10,15,60,32,455

As at March 31, 2019

Financial Assets & Liabilities Measured at FV - Recurring FVM	Note No.	Level 1	Level 2	Level 3	Total
Financial assets measured at FVTPL					
Investments in Liquid Mutual Fund Units	5	89,83,25,660	-	-	89,83,25,660
Total of Financial Assets		89,83,25,660	-	-	89,83,25,660

Financial Assets & 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 b	-	28,96,789	-	28,96,789
Other receivables	4 a	-	10,44,49,838	-	10,44,49,838
Government grant receivable	4 c	-	1,51,25,53,140	-	1,51,25,53,140
Cash and cash equivalents	6	-	23,56,76,525	-	23,56,76,525
Total Financial Assets		-	1,61,98,99,767	-	1,61,98,99,767
Financial Liabilities					
Term Loan from Banks	9	-	9,92,93,38,905	-	9,92,93,38,905
Other Current Financial Liabilities	12	-	64,32,65,953	-	64,32,65,953
Trade Payables	11	-	1,33,12,140	-	1,33,12,140
Total Financial Liabilities		-	10,58,59,16,998	-	10,58,59,16,998

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

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

L&T Sambalpur Rourkela Tollway Limited

C Notes forming part of Accounts

Valuation technique and inputs used to determine fair value

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

18 Assets pledged as security

Particulars	Note no	As at March 31, 2020	As at March 31, 2019
Non Financial Assets			
Property, Plant & Equipment	1	2,84,80,230	3,12,34,455
Intangible assets	2	10,30,835	27,97,980
Intangible assets under development	3	-	26,18,65,546
Financial Assets			
Other Financial Assets	4 b	1,09,17,98,727	1,51,54,49,929
Investments in Liquid Mutual Fund Units	5	25,62,57,415	89,83,25,660
Other receivables	4 a	11,69,03,832	10,44,49,838
Total		1,49,44,71,039	2,81,41,23,408

19 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 borrowings 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 are at variable rate only, which is the inherent business risk.

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

Particulars	As at March 31, 2020	As at March 31, 2019
Senior Debt from Banks - Variable rate borrowings	9,62,70,21,904	9,92,93,38,905

Sensitivity analysis based on average outstanding Senior Debt

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	F.Y. 2019-20	F.Y. 2018-19
Increase or decrease in interest rate by 25 basis point	2,44,45,451	2,37,19,035

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 units are as follows:

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
Investments in Mutual Fund Units	5	25,62,57,415	89,83,25,660

Sensitivity Analysis

	Impact on profit/ loss after tax	
	F.Y. 2019-20	F.Y. 2018-19
Increase or decrease in NAV by 2%	51,25,148	1,79,66,513

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

L&T Sambalpur Rourkela Tollway Limited
C Notes forming part of Accounts

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 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, 2020	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liabilities					
Senior Debt from Banks	9,62,70,21,904	50,51,98,364	40,34,99,048	1,03,19,41,636	7,68,63,82,856
Derivative Financial Liabilities	-	-	-	-	-

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. The company has other receivables primarily from government authority i.e. Government of Odisha, Works Department. Hence, the management believes that the company is not exposed to any credit risk.

20 Disclosure pursuant to Appendix - D to Ind AS 115 - " Service Concession Arrangements"

20.1 Description and classification of the arrangement

L&T Sambalpur Rourkela Tollway Limited is a Special Purpose Vehicle incorporated on 18th Oct 2013 for the purpose of executing and operating the project consist of Four Laning with Paved shoulders of Sambalpur-Rourkela Section of State Highway No.10 (SH-10) from KM 4.9000 to KM 167.9000 in the State of Odisha to be executed as Build, Operate and Transfer (Toll) on DBFOT (Design, Built, Finance, Operate and Transfer) pattern as per the Concession Agreement entered into with the Works Department, Government of Odisha (OWD) on 8th Nov 2013. The appointed date as specified in terms article 48.1 of the said agreement is 15th July 2014. The Concession Period is for 22 years (including the construction period of 3 years) from the Appointed Date. The company obtained provisional completion certificate upon completion of 159.570 kms on 13th March 2018 and started its commercial operations & the provisional completion certificate for remaining 2.16 KM was obtained on 12th August 2019.

20.2 Significant Terms of the arrangements

20.2.1 Revision of Fees:

Fees shall be revised annually on April 1st subject to the provisions Article 27.2 of the Concession Agreement (CA).

20.2.2 Grant

The Government has agreed to provide cash support by way of outright grant equal to the sum set forth in the bid, namely, Rs.465,30,00,000 in accordance to the provisions of Article 25 of the CA. Accordingly, Rs.258,51,00,000 will be provided as equity support and the balance Rs.206,79,00,000 is provided as O&M support.

20.3 Rights of the Company for use of 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.

20.4 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 Article 17 of the CA.

20.5 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.

20.6 Details of Termination

CA can be terminated on account of default of the company or Government of Odisha, Works Department in the circumstances as specified under Article 37 of the CA.

D 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.

(b) Basis of measurement

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

Item	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 nearest rupee 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.

- Toll collection from users of the infrastructure facility constructed by the Company under the Service Concession Arrangement is recognised in the period of collection of toll / user fee which coincides with the usage of the infrastructure facility net of revenue share payable to NHAI / state authorities. Income from sale of smart cards is recognised on cash basis.
- 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.
- License fees for way-side amenities are accounted on accrual basis.
- Fair value gains on current investments carried at fair value are included in Other income.
- Other items of income are recognised as and when the right to receive arises.

D Significant Accounting Policies

4 Cash and Cash Equivalents

Cash and Cash Equivalents 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 with the group companies, depreciation is calculated upto 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:	
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 of profit and loss.

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

D Significant Accounting Policies

7 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

8 Intangible assets

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.

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

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".

9 Amortisation of intangible assets

Toll collection rights in respect of road projects are amortized over the period of concession from the date of commercial operations using the Straight line amortisation method.

10 Foreign currency transactions and translations

The reporting currency of the company is Indian Rupee.

Foreign currency transactions are recorded on initial recognition in the reporting currency using the exchange rate applicable on the date of transaction.

At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried at historical cost are reported using the exchange rate on the date of the transaction.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each balance sheet date at the closing rate are recognised as income or expense in the period in which they arise.

11 Government grants

Grant receivable from the Government is reduced from the project cost at its discounted value and the corresponding amount is shown as a financial asset receivable. Further till the year of the grant receivable the finance component is recognised as a finance income in the Statement of Profit & Loss.

12 Investments

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

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

D Significant Accounting Policies

13 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 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

(iii) Other long term employee benefits:

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

(iv) Termination benefits

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

D Significant Accounting Policies

14 Borrowing costs

Borrowing costs include interest calculated using the effective interest method, amortisation of ancillary costs incurred and exchange differences arising

15 Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses

Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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.

D Significant Accounting Policies

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 recognised 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)):

- 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 at 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.

D Significant Accounting Policies

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 M.K.Dandeker & Co.
Chartered Accountants
(Firm's Registration No. 000679S)

S. Poosaidurai
Partner
Membership No. 223754

Place: Chennai
Date: 30th April 2020

For and on behalf of the **Board**

R.G. Ramchandran
Director
(DIN: 02671982)

K.C.Raman
Chief Financial Officer

Pramod Sushila Kapoor
Director
(DIN: 02914307)

Shambhavi Nagarajan
Company Secretary
(M.No.A56181)

Place: Chennai
Date: 30th April 2020