

BOARD'S REPORT

Dear Members,

The Directors have pleasure in presenting their report and Audited Accounts for the year ended March 31, 2021.

Financial Results / Financial Highlights:

(Rs. in crore)

Particulars	2020-21	2019-20
Profit / (Loss) Before Depreciation, exceptional items & Tax	72.14	(135.45)
Less: Depreciation, amortization, impairment and obsolescence	106.74	106.24
Profit / (Loss) before exceptional items and tax	(34.60)	(241.69)
Add: Exceptional Items	-	-
Profit / (Loss) before tax	(34.60)	(241.69)
Less: Provision for tax	-	(0.07)
Profit for the period carried to the Balance Sheet	(34.60)	(241.76)
Add: Other comprehensive Income	0.11	0.00
Total Comprehensive income of the year	(34.49)	(241.76)
Add: Balance brought forward from previous year	(585.08)	(343.32)
Balance to be carried forward	(619.57)	(585.08)

State of Company Affairs:

The total revenue for the financial year under review was Rs. 397.82 crore as against Rs. 145.84 crore for the previous financial year registering an increase of 172.78%. The modification gain on restatement of the liability amounting to Rs. 237.76 crore has been accounted under Other Income in the books of accounts for the year ended March 31, 2021. The loss before tax and loss after tax was Rs. 34.60 crore for the financial year under review as against Rs.241.69 crore and loss after tax was

Rs. 241.76 crore for the previous financial year, registering a decrease in loss by 85.68% and 85.69% respectively.

The Authority (NHAI) approved the deferment of premium on March 26, 2021 without any requirement of Corporate Guarantee by the Company and also entered into Supplementary agreement -II to Concession agreement with the Company on the same date. Accordingly, the carrying value of the deferred payment liabilities have been restated to provide the impact of the deferment agreement in the books of accounts for the year ended March 31, 2021.

The Company has entered into a settlement agreement with Authority (NHAI) on March 26, 2021, and accordingly NHAI has agreed to settle all the claims including COVID 19 related claims of the Company for an amount of Rs.114.42 crore (inclusive of all taxes). The impact of the settlement agreement excluding COVID-19 related claims amounting to Rs. 10.34 crore is not provided in the books of accounts for the year ended March 31, 2021.

The COVID-19 related claims of Rs. 10.34 crore is accounted under Revenue from Operations and the same is shown as receivable from NHAI in the books of accounts for the year ended March 31, 2021.

The impact of the amount received from NHAI will be accounted in the books of accounts once the final settlement payable to L&T is crystallized and a final settlement agreement is entered between the Company and L&T. Further, as the settlement amount is pertaining to construction period, the balance amount to be crystallized will be reduced from "Intangible assets – User Toll Collection rights" after final settlement to L&T and COVID-19 claim amount of Rs. 10.34 crore.

COVID-19 update

A major part of the period under review was impacted due to the COVID-19 pandemic. This was mainly on account of disruption in supply chain, capacity underutilization, logistics related issues, additional costs involved in ensured the safety of all employees across all project sites of the Company.

The Company focused on supporting the public health system in dealing with the COVID-19 pandemic and the most vulnerable members of the society.

It was ensured that employees are safe while also ensuring business continuity. The Company implemented safety and hygiene protocols like wearing face masks, social distancing norms, workplace sanitation, employee awareness programs across the Organisation and project sites. The protocols are regularly reviewed and updated based on revision in guidelines received from concerned authorities from time to time.

Capital & Finance:

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

Capital Expenditure:

As at March 31, 2021 the gross fixed and intangible assets including leased assets, stood at Rs. 2,267.42 crore and the net fixed and intangible assets, including leased assets, at Rs. 1,895.12 crore. Capital Expenditure during the year amounted to Rs. 0.56 crore including capital expenditure of Rs. 0.36 crore incurred 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, 2021, the shares of the Company are held in the following manner:

Equity shares:

The entire holding of the Company's equity paid up capital representing 28,53,40,000 equity shares @ Rs.10/- each are held in dematerialized form.

Compulsorily Convertible Preference Shares (CCPS)

The entire holding of the Company's preference share capital representing 5,40,00,000 CCPS @ Rs.10/- each are held in dematerialized form.

Subsidiary Companies:

The company does not have any Subsidiary / Joint Venture Company under its purview.

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 and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. 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 losses for the year ended March 31, 2021 no amount is required to be transferred to the statutory reserve as required.

Dividend:

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

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

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

Details of significant and material orders:

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

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:*Conservation of Energy and Technology absorption*

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

Foreign exchange earnings and outgo

During the year the Company had incurred expenditure in foreign currency for an amount of Rs. 17,94,834/-.

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 (DIN: 02914307), Director retired by rotation at the Annual General Meeting held on September 30, 2020 and was reappointed as Director.

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 namely Dr. A. Veeraragavan and Dr. Koshy Varghese concluded on March 30, 2020. Subsequently, they (Independent Directors) were re-appointed for a second term of 5 years from March 31, 2020 to March 30, 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, 2021 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	Dr. Koshy Varghese	Independent Director	03141594
5.	Ms. Samyuktha Surendran	Independent Director	07138327

The Key Managerial Personnel (KMP) of the Company as on March 31, 2021 are:

S. No.	Name	Designation	Date of Appointment
1	Mr. Rajesh Vichare	Manager	October 16, 2017
2	Ms. Sindhu K.	Chief Financial Officer	March 15, 2010
3	Mr. Karthikeyan T.V.	Company Secretary	January 11, 2017

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 four Board Meetings were held. The details of the Board meetings conducted during the year are given below:

Date	Strength	Directors Present
May 02, 2020	5	5
July 08, 2020	5	5
October 08, 2020	5	5
January 09, 2021	5	5

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 Audit Committee was constituted in terms of the requirements of the Act. As on March 31, 2021 the Committee comprised of Dr. A. Veeraragavan, Dr. Koshy Varghese and Mr. Pramod Sushila Kapoor.

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

Date	Strength	Members Present
May 02, 2020	3	3
July 08, 2020	3	3
October 08, 2020	3	3
January 09, 2021	3	3

Vigil Mechanism / Whistle Blower Policy

L&T IDPL and its SPVs committed to the best practices based on the principle of transparency, accountability, fairness and integrity to create long term sustainable value for its employees and all stakeholders. Our company has in place vigil mechanism procedure to provide an avenue to all stakeholders as and when they anticipates an violation of company's policies, code of conduct, an infringement of laws/ regulations, or the governing documents to report, on her/his own (by name or anonymously) to the Compliance Officer, WBIC through email addressed to wbic@Intidpl.com, compliance@Intidpl.com, or call to the HOTLINE number (access is only with the Compliance Officer of the L&T IPDL). Reported incidents handled with confidentiality and the company does not allow reprisals of any kind against those who in good faith, report an infringement or suspicion of an infringement of the rules and guidelines. Our company has also adopted Code of Conduct policy.

Company Policy on Director Appointment and Remuneration:

The Nomination and Remuneration Committee was constituted in terms of the requirements of the Act. As on March 31, 2021 the committee comprised of Dr. A. Veeraragavan, Dr. Koshy Varghese and Mr. R.G. Ramachandran.

During the year, two Meetings of the Nomination and Remuneration Committee was held. The details of the meeting conducted during the year under review are given below:

Date	Strength	Members Present
May 02, 2020	3	3
July 08, 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, 2021, the Audit Committee and Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

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 General Meetings:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and 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. The Company has an Internal Complaints Committee under the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. 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 standalone financial statements for the financial year 2020-21 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 term of M/s. M. K. Dandeker & Co, Chartered Accountants, (ICAI Registration no: 000679S), Chennai as Statutory Auditors of the Company will expire at this Annual General Meeting.

Secretarial Auditor:

M/s. B. Chitra & Co, Company Secretary in practice (C.O.P.No.2928) was appointed to conduct the secretarial audit of the Company for the financial year 2020 – 21, as required under Section 204 of the Act and Rules thereunder. The secretarial audit report dated 20.04.2021 to the Shareholders for the financial year 2020-21 is attached as **Annexure II** to this Report and is unqualified and has no adverse remark.

M/s. KC Raman and Co. (PCS Registration No. 23371) Company Secretaries in Practice was appointed as Secretarial Auditors for FY 2021-22.

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 2020 – 21, 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 2019-2020 was filed with Ministry of Corporate Affairs.

Details of Significant & Material Orders Passed by the Regulators or Courts or Tribunals:

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Copy of Annual Return:

As per the provisions of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014 a copy of the Annual Return is available at website [Sangareddy to KNT / MH border \(Andhra Pradesh – Karnataka\) | L&T Infrastructure Development Projects Limited | L&T India \(Intidpl.com\)](#).

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: 20.04.2021
Place: Chennai

Pramod Sushila Kapoor
Director
DIN: 02914307

R.G. Ramachandran
Director
DIN:02671982

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 2020 – 21 which required shareholders' approval as per Sec. 188(1) of the Companies Act, 2013.

b. The details of related party transactions during the FY 2020 – 21 form part of the financial statements as per Ind AS 24 and the same is given in Note no. C 6(a) & (b).

For and on behalf of the Board

*Date: 20.04.2021
Place: Chennai*

Pramod Sushila Kapoor
*Director
DIN: 02914307*

R.G. Ramachandran
*Director
DIN:02671982*

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2021**

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

To,

The Members,
L&T DECCAN TOLLWAYS LIMITED
Mount Poonamalle Road, Manapakkam,
Chennai - 600089

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by L&T DECCAN TOLLWAYS LIMITED) (hereinafter called the “Company”).

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 the secretarial audit, We hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2021, generally 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) *The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) *The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) *Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-

- (a) *The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) *The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) *The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) *The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) The other laws applicable specifically to the company: Nil

We have also examined whether adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, competition laws, environment laws etc

In respect of financial laws like Tax laws, etc we have relied on the audit reports made available during our audit for us to have the satisfaction that the Company has generally complied with the provisions of such laws

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) * Listing Obligations and Disclosure Regulations of Securities Exchange Board of India.

Note:

*** Denotes “NOT APPLICABLE”.**

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Directors, Women Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

We 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.

We further report that during the audit period the Company has the following major transactions:

The Company has at its Annual General Meeting held on 30.09.2020 had re-appointed Mr. Rajesh Prabhakar Vichare as a Manager for a further term of 3 years with effect from October 16, 2020 and fixed his remuneration. Quantum of Remuneration payable to the Manager was not given in the Resolution and Form MR 1 does not reflect the same. However, as per the Members approval, the remuneration payable is as per the HR policy of L&T Infrastructure Development Projects Limited, Holding Company.

This report has to be read along with our statement furnished in Annexure A

Place : Chennai

For **Chitra &Co**

Date : 20.04.2021

UDIN: F004509C000128457

B. CHITRA

FCS No.:4509

C P No.:2928

Annexure 'A'

To,
The Members,
L&T DECCAN TOLLWAYS LIMITED
Mount Poonamalle Road, Manapakkam,
Chennai - 600089

Dear Sir(s),

Sub.: Secretarial Audit Report for the Financial Year ended 31.03.2021

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the Company. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Chennai

Date : 20.04.2021

UDIN: F004509C000128457

For **B. Chitra & Co**

B. CHITRA
FCS No.:4509
C P No.:2928

M.K. DANDEKER & CO.

Chartered Accountants

Phone : +91-44-43514233
E-mail : admin@mkdandeker.com
Web : www.mkdandeker.com

No.185 (Old No.100) 2nd Floor,
Poonamallee High Road,
Kilpauk, CHENNAI - 600 010.

INDEPENDENT AUDITORS' REPORT

To the Members of M/s. L&T Deccan Tollways Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **L&T Deccan Tollways Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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, 2021, and loss, changes in equity and its cash flows for the year ended on that date.

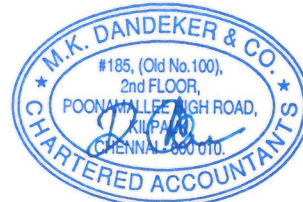
Basis for Opinion

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 (ICAI) 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.

Material Uncertainty relating to Going Concern

We draw attention to the following matters in the Notes to the Ind AS financial statements:

Note C-14 in the Ind AS financial statements which indicates that the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net cash loss during the previous year and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note C-14, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the Ind AS financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.



Our opinion is not modified in respect of these matters.

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 Board's Report including Annexures to Board's 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.

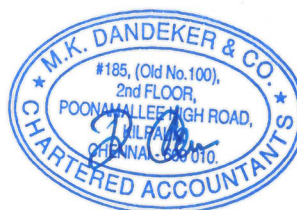
In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise 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) of 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 statements 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 also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

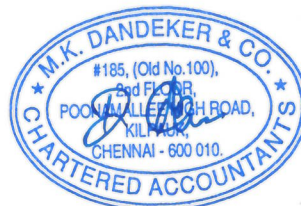
Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee 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.

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 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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)



R. Arun Kumar Mehta

Partner

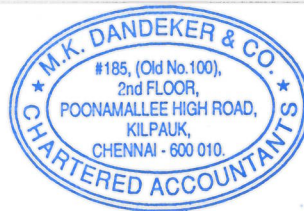
Chartered Accountants

Membership No. 227630

Date: April 20, 2021

Place: Chennai

UDIN: 21227630AAAANI7291



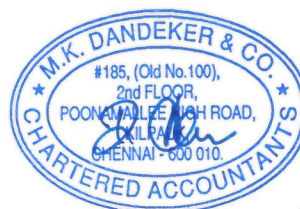
ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(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 Companies (Auditor's Report) order 2016 relating to inventory is not applicable.
3. The Company has not granted any loans, secured or unsecured 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 transactions 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 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, income-tax, goods and services tax, 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, 2021 on account of disputes are given below:

Particulars	Period to which the amount relates	Forum where the dispute is pending	Amount (In Rs.)
Income Tax	A.Y. 2016-17	CIT (Appeals)	19,09,546

Out of the above amount, a sum of Rs. 3,81,910 was paid as deposit to file an appeal before the Commissioner of Income Tax (Appeals).

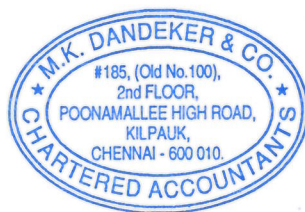


8. The Company has not defaulted in repayment of loans or borrowings to a financial institution or bank. The Company has no loans or borrowings from Government and has not issued any debentures.
9. According to the information and explanation given to us, the Company has not raised moneys by way of initial 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.
10. Based on the information and explanation given to us, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.
12. The Company is not a Nidhi Company and hence clause 3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Date: April 20, 2021

Place: Chennai

UDIN: 21227630AAAANI7291



For M.K. Dandeker & Co.,
(ICAI Regn. No. 000679S)

R. Arun Kumar Mehta

R. Arun Kumar Mehta

Partner

Chartered Accountants

Membership No. 227630

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 Deccan Tollways Limited** ("the Company") as of March 31, 2021 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

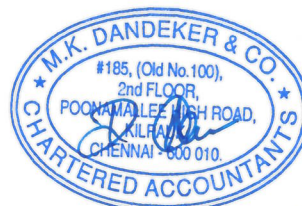
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M.K. Dandeker & Co.,**
(ICAI Regn. No. 000679S)



R. Arun Kumar Mehta

Partner

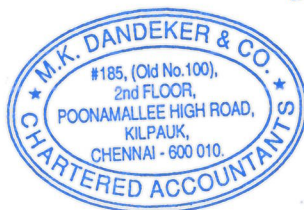
Chartered Accountants

Membership No. 227630

Date: April 20, 2021

Place: Chennai

UDIN: 21227630AAAANI7291



L&T Deccan Tollways Limited
CIN:U45203TN2011PLC083661
Balance Sheet as at March 31, 2021

Particulars	Note No.	As at March 31, 2021 ₹	As at March 31, 2020 ₹
ASSETS			
(1) Non-current assets			
a) Property, plant and equipment	1	1,77,44,272	1,89,11,987
b) Capital work in progress	1(a)	-	16,72,274
c) Intangible assets	2	18,93,26,81,323	19,93,85,83,351
d) Intangible assets under development	2(a)	8,37,564	5,39,41,401
e) Financial assets			
i) Loans	3	65,07,268	64,76,212
f) Other non-current assets	4	15,37,296	2,02,386
		18,95,93,07,723	20,01,97,87,611
(2) Current assets			
a) Financial assets			
i) Investments	6	13,79,73,091	14,96,66,193
ii) Cash and cash equivalents	7	3,15,37,718	1,08,01,973
iii) Other bank balances	7(a)	33,53,51,491	32,46,10,291
b) Current tax assets (net)	5	28,24,489	69,50,659
c) Other current assets	4	17,51,91,627	1,79,11,929
		68,28,78,416	50,99,41,045
TOTAL ASSETS		19,64,21,86,139	20,52,97,28,656
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share capital	8	2,85,34,00,000	2,85,34,00,000
b) Other equity	9	(5,44,94,53,093)	(5,10,45,67,646)
		(2,59,60,53,093)	(2,25,11,67,646)
LIABILITIES			
(1) Non-current liabilities			
a) Financial liabilities			
i) Borrowings	10	20,66,15,20,169	21,30,31,05,112
ii) Other financial liabilities	12	13,85,670	20,99,87,670
b) Provisions	13	61,91,05,260	39,61,52,771
		21,28,20,11,099	21,90,92,45,553
(2) Current liabilities			
a) Financial liabilities			
i) Borrowings	10	28,00,00,000	28,00,00,000
ii) Trade payable			
- Total Outstanding dues to micro, small and medium enterprises		96,21,859	1,40,49,246
- Total Outstanding dues of creditors other than micro, small and medium enterprises	11	2,41,65,579	1,73,63,186
iii) Other financial liabilities	12	57,73,47,849	46,58,67,926
b) Other current liabilities	14	6,48,08,687	9,33,91,669
c) Provisions	13	2,84,159	9,78,722
		95,62,28,133	87,16,50,749
TOTAL EQUITY & LIABILITIES		19,64,21,86,139	20,52,97,28,656
Contingent liabilities	A		
Commitments	B		
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

R. Arun Kumar Mehta
R. Arun Kumar Mehta
Partner
Membership No. 227630



Place: Chennai
Date: April 20, 2021

For and on behalf of the Board,

R.G. Ramachandran
R.G. Ramachandran
Director (DIN: 02671982)

K. Sindhu
K. Sindhu
Chief Financial Officer

Praanod Sushila Kapoor
Praanod Sushila Kapoor
Director (DIN: 02914307)

Karthikeyan T V
Karthikeyan T V
Company Secretary
Membership No. A9743

Place: Chennai
Date: April 20, 2021

L&T Deccan Tollways Limited
CIN:U45203TN2011PLC083661

Statement of Profit and loss for the year ended March 31, 2021

Particulars	Note No.	Year Ended	Year Ended
		March 31, 2021	March 31, 2020
		₹	₹
REVENUE			
Revenue from Operations	15	1,57,82,75,435	1,41,90,87,530
Other income	16	2,39,98,87,069	3,92,94,411
Total income		3,97,81,62,504	1,45,83,81,941
EXPENSES			
Operating expenses	17	39,17,24,002	35,67,84,692
Employee benefit expenses	18	2,52,59,624	3,43,52,796
Finance cost	19	2,81,61,73,219	2,39,96,16,428
Depreciation and amortisation	2	1,06,73,69,234	1,06,23,54,639
Administration and other expenses	20	2,36,00,766	2,21,62,836
Total expenses		4,32,41,26,845	3,87,52,71,391
Profit/(loss) before Tax		(34,59,64,341)	(2,41,68,89,450)
Less: Tax Expenses			
- Current Tax pertaining to Prior Year		-	6,82,634
Profit/(loss) for the year		(34,59,64,341)	(2,41,75,72,084)
Other comprehensive income			
i) Items that will not be reclassified to profit or loss (net of tax)			
- Remeasurements of the defined benefit plans		10,78,894	25,314
Total comprehensive income for the year		(34,48,85,447)	(2,41,75,46,770)
Earnings per equity share (Basic and Diluted)	C (8)	(1.21)	(8.47)
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 M.K.Dandeker & Co.
Chartered Accountants
(Firm registration no. 000679S)
by the hand of

R. Arun Kumar Mehta
R. Arun Kumar Mehta
Partner
Membership No. 227630



Place: Chennai
Date: April 20, 2021

For and on behalf of the Board,

R.G. Ramachandran
R.G. Ramachandran
Director (DIN: 02671982)

Pramod Sushila Kapoor
Pramod Sushila Kapoor
Director (DIN: 02914307)

K. Sindhu
K. Sindhu
Chief Financial Officer

Karthikeyan T.V
Karthikeyan T.V
Company Secretary
Membership No. A9743

Place: Chennai
Date: April 20, 2021

L&T Deccan Tollways Limited
CIN:U45203TN2011PLC083661
Cash Flow Statement for the year ended March 31, 2021

S.No.	Particulars	Year Ended March 31, 2021 ₹	Year Ended March 31, 2020 ₹
A	Cash flow from operating activities		
	Net profit / (loss) before tax	(34,59,64,341)	(2,41,68,89,450)
	Adjustments for:		
	Depreciation and amortisation	1,06,73,69,234	1,06,23,54,639
	Interest expenses	2,81,61,73,219	2,39,96,16,428
	Other comprehensive income	10,78,894	25,314
	Interest income	(1,60,87,049)	(1,96,59,082)
	Modification gain on Financial Liability	(2,37,76,30,732)	-
	(Profit)/loss on sale of current investments (net)	(43,76,677)	(1,89,11,077)
	(Profit)/loss on sale of Property, plant & equipment	(13,497)	(2,44,593)
	Operating profit before working capital changes	1,14,05,49,051	1,00,62,92,179
	Adjustments for:		
	Increase / (Decrease) in long term provisions	17,54,10,843	15,86,84,017
	Increase / (Decrease) in trade payables	23,75,006	(78,06,770)
	Increase / (Decrease) in other current liabilities	(2,85,82,982)	4,18,39,883
	Increase / (Decrease) in other current financial liabilities	(6,61,89,077)	(94,04,96,836)
	Increase / (Decrease) in other non-current financial liabilities	-	13,85,670
	Increase / (Decrease) in short term provisions	(6,94,563)	12,050
	(Increase) / Decrease in long term loans	(31,056)	(5,26,261)
	(Increase) / Decrease in other non-current assets	(13,34,910)	3,69,131
	(Increase) / Decrease in other current assets	(15,72,79,698)	1,11,38,256
	Net cash generated from/(used in) operating activities	1,06,42,22,614	27,08,91,319
	Net income tax (paid)/refunds	41,26,168	(40,36,567)
	Net Cash(used in)/generated from Operating Activities	1,06,83,48,782	26,68,54,752
B	Cash flow from investing activities		
	Purchase of Property, plant & equipment	(56,08,614)	(59,90,438)
	Sale of Property, plant & equipment	98,735	3,52,941
	(Purchase)/Sale of current investments (net)	1,60,69,779	33,24,35,413
	Increase in other bank balances	(1,07,41,200)	(1,81,07,439)
	Interest received	1,60,87,049	1,96,59,082
	Net cash (used in)/generated from investing activities	1,59,05,749	32,83,49,559
C	Cash flow from financing activities		
	Proceeds from issue of preference shares	-	54,00,00,000
	Proceeds from long term borrowings	10,00,29,917	-
	Repayment of long term borrowings	(7,16,59,158)	(2,57,78,031)
	Interest paid	(1,09,18,89,545)	(1,12,41,65,190)
	Net cash (used in)/generated from financing activities	(1,06,35,18,786)	(60,99,43,221)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	2,07,35,745	(1,47,38,910)
	Cash and cash equivalents as at the beginning of the year	1,08,01,973	2,55,40,883
	Cash and cash equivalents as at the end of the year	3,15,37,718	1,08,01,973
	Other notes forming part of accounts	C	
	Significant accounting policies	D	

Components of Cash & Cash Equivalents:

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Cash in hand	11,25,490	33,06,680
(b) Balances with Banks:		
i) In Trust retention and escrow accounts	2,40,05,948	14,95,293
ii) In current accounts	64,06,280	60,00,000
	3,15,37,718	1,08,01,973

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.Dandekar & Co.
Chartered Accountants
(Firm registration no. 000679S)
by the hand of

R. Arun Kumar Mehta
R. Arun Kumar Mehta
Partner
Membership No. 227630



Place: Chennai
Date: April 20, 2021

For and on behalf of the Board,

R.G. Ramchandran
R.G. Ramchandran
Director (DIN: 02671982)

Pramod Sushila Kapoor
Pramod Sushila Kapoor
Director (DIN: 02914307)

K. Srinidu
K. Srinidu
Chief Financial Officer

Karnikeyan T.V
Karnikeyan T.V
Company Secretary
Membership No. A9743

Place: Chennai
Date: April 20, 2021

L&T Deccan Tollways Limited
CIN:U45203TN2011PLC083661
Statement of Changes in Equity for the year ended March 31, 2021

A) Equity share capital Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹	No. of shares	₹
Balance at the beginning of the year	28,53,40,000	2,85,34,00,000	28,53,40,000	2,85,34,00,000
Changes in equity share capital	-	-	-	-
Balance at the end of the year	28,53,40,000	2,85,34,00,000	28,53,40,000	2,85,34,00,000

B) Other Equity

As at March 31, 2021

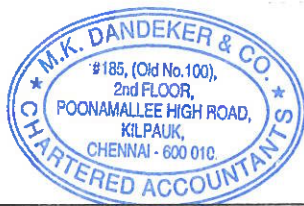
Particulars	Equity component of compound financial instruments	Reserves & Surplus	Total ₹
		Retained earnings	
Balance at the beginning of the year	74,62,47,930	(5,85,08,15,576)	(5,10,45,67,646)
Profit/(loss) for the year	-	(34,59,64,341)	(34,59,64,341)
Other comprehensive income	-	10,78,894	10,78,894
Balance at the end of the year	74,62,47,930	(6,19,57,01,023)	(5,44,94,53,093)

As at March 31, 2020


Particulars	Equity component of compound financial instruments	Reserves & Surplus	Total ₹
		Retained earnings	
Balance at the beginning of the year	-	(3,43,32,68,806)	(3,43,32,68,806)
Equity component of loan from Related Party	20,62,47,930	-	20,62,47,930
Profit/(loss) for the year	-	(2,41,75,72,084)	(2,41,75,72,084)
Other comprehensive income	-	25,314	25,314
Issue of 0.01% Compulsorily Convertible Preference Share Capital	54,00,00,000	-	54,00,00,000
Balance at the end of the year	74,62,47,930	(5,85,08,15,576)	(5,10,45,67,646)

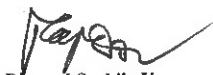
As per our report attached
For M.K.Dandeker & Co.
Chartered Accountants
(Firm registration no. 000679S)
by the hand of


R. Arun Kumar Mehta
Partner
Membership No. 227630



Place: Chennai
Date: April 20, 2021

For and on behalf of the Board,

R.G. Ramachandran
Director (DIN: 02671982)


Pramod Sushila Kapoor
Director (DIN: 02914307)


K. Sudhu
Chief Financial Officer


Karthikeyan T.V
Company Secretary
Membership No. A9743

Place: Chennai
Date: April 20, 2021

1) Property, plant and equipment

Particulars	Cost			Depreciation			Book Value	
	As at April 01, 2020	Additions	Disposals	As at April 01, 2020	For the year	On disposals	As at March 31, 2021	As at March 31, 2020
Owned								
Plant and equipment	56,64,867	-	-	15,52,284	4,75,763	-	36,36,820	41,12,583
Furnitures and fixtures	40,99,815	1,04,902	-	15,69,449	5,09,299	-	21,25,969	25,30,366
Vehicles	58,36,682	-	-	19,51,090	9,21,679	-	29,63,913	38,83,592
Office equipments	26,50,419	29,997	-	12,42,604	4,89,211	-	9,48,601	14,07,815
Electrical installations	66,05,853	35,30,272	-	18,95,963	8,96,032	-	73,44,130	47,09,890
Air conditioning and refrigeration	40,81,198	-	-	26,17,716	9,75,645	-	4,87,837	14,63,482
Computers, laptops and printers	26,98,221	58,409	3,02,449	18,95,962	5,38,428	2,17,211	2,37,002	8,02,259
Total	3,16,37,055	37,23,580	3,02,449	1,27,25,068	48,06,057	2,17,211	1,73,13,914	1,89,11,987
<i>Previous year</i>	<i>3,17,37,323</i>	<i>19,71,746</i>	<i>20,72,014</i>	<i>1,01,32,841</i>	<i>-43,55,893</i>	<i>19,63,666</i>	<i>1,27,25,068</i>	<i>1,89,11,987</i>

1(a) Capital work in progress

Particulars	Cost		
	As at April 01, 2020	Additions	Capitalised during the year
Electrical installations (Refer note below)	16,72,274	-	16,72,274
Total	16,72,274	-	16,72,274
<i>Previous year</i>	<i>-</i>	<i>16,72,274</i>	<i>-</i>

Note: Indicates materials purchased for solar power plant at Toll Plazas

2) Intangible assets

Particulars	Cost			Amortisation			Book Value	
	As at April 01, 2020	Additions	Disposals	As at April 01, 2020	For the year	On disposals	As at March 31, 2021	As at March 31, 2020
Specialised software	44,75,578	-	-	31,89,744	9,07,186	-	40,96,930	12,85,834
Toll collection rights*	22,57,71,24,120	5,66,61,145	-	2,63,98,26,603	1,06,16,55,987	-	3,70,14,82,590	19,93,72,97,517
Total	22,58,15,99,698	5,66,61,145	-	2,64,30,16,347	1,06,25,63,173	-	3,70,55,79,520	19,93,85,83,351
<i>Previous year</i>	<i>22,48,48,03,355</i>	<i>9,67,96,343</i>	<i>-</i>	<i>1,58,52,17,601</i>	<i>1,05,77,98,746</i>	<i>-</i>	<i>2,64,30,16,347</i>	<i>19,93,85,83,351</i>

2(a) Intangible assets under development

Particulars	Cost		
	As at April 01, 2020	Additions	Capitalised during the year
Construction cost #	5,39,41,401	-	5,39,41,401
Toll Equipments	-	8,37,564	-
Total	5,39,41,401	8,37,564	5,39,41,401
<i>Previous year</i>	<i>14,83,91,326</i>	<i>-</i>	<i>9,44,49,925</i>

* Toll collection rights includes discounted value of premium payable to NHAI over the concession period from the date of provisional commercial operations.

† The Company has completed the balance work of 1.300 km at Bangur for which NHAI has recommended for including this length in tolling from F.Y. 2021-2022 onwards. Accordingly, the Company has capitalised the cost incurred for the same.



L&T Deccan Tollways Limited
Notes forming part of financial statements for the year ended March 31, 2021

3 Loans

Particulars	As at March 31, 2021		As at March 31, 2020		Total
	Current	Non-current	Current	Non-current	
a) Security deposits	-	65,07,268	-	64,76,212	64,76,212
Unsecured, considered good	-	65,07,268	-	64,76,212	64,76,212

4 Other non-current and current assets

Particulars	As at March 31, 2021		As at March 31, 2020		Total
	Current	Non-current	Current	Non-current	
Advances other than capital advances:					
Advance to employees	39,204	-	1,71,468	-	1,71,468
Others:					
Prepaid Insurance	91,82,898	-	32,37,241	-	32,37,241
Prepaid expenses	-	-	15,000	-	15,000
GST Input Credit (Net of liability)	1,54,20,920	-	62,42,568	-	62,42,568
Gratuity plan asset (Net of provisions)	3,46,151	9,42,338	1,89,455	2,02,386	3,91,841
Leave encashment plan asset (Net of provisions)	-	5,94,958	-	-	-
Other receivables	4,67,77,454	-	80,56,197	-	80,56,197
Receivable from NHAI (Refer Note C(15))	10,34,25,000	-	-	-	-
	17,51,91,627	15,37,296	1,79,11,929	2,02,386	1,81,14,315

5 Current tax assets (Net)

Advance tax net of provisions	28,24,489	-	28,24,489	-	69,50,659
	28,24,489	-	28,24,489	-	69,50,659



6 Investments

Particulars	As at March 31, 2021	As at March 31, 2020
	Current ₹	Current ₹
Investments carried at fair value through Profit and loss		
Liquid Mutual fund units	13,79,73,091	14,96,66,193
	13,79,73,091	14,96,66,193
Aggregate book value of quoted investments	13,75,72,062	14,96,52,029
Aggregate market value of quoted investments	13,79,73,091	14,96,66,193

Details of Liquid Mutual Fund Units as on March 31, 2021 & March 31, 2020 are given below:

Particulars	No. of Units	As at March 31, 2021		As at March 31, 2020
		Cost	Market Value	Market Value
JDFC Overnight Fund - Regular Growth	1,26,014.44	1,094.90	13,79,73,091	8,52,53,361
ICICI Overnight Fund Growth	-	-	-	5,62,94,790
SBI Overnight Fund - Regular Growth	-	-	-	81,18,043
Total	1,26,014	1,094.90	13,79,73,091	14,96,66,193

7 Cash and Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
i) Balances with banks		
- In Trust retention and escrow accounts (Refer Note below)	2,40,05,948	14,95,293
- In Current accounts	64,06,280	60,00,000
ii) Cash on hand	11,25,490	33,06,680
	3,15,37,718	1,08,01,973

7 (a) Other bank balances

i) Term deposits with original maturity of more than 3 months but less than 12 months (including interest accrued thereon) (Refer note below)	33,53,51,491	32,46,10,291
	33,53,51,491	32,46,10,291

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, 2021, there were no amounts included in this which are restricted/earmarked for any specific purposes by virtue of the said waterfall mechanism except for the Term deposit with the lead bank for the purpose of debt service reserve account as required in the loan agreement.



8 Share Capital

(i) Authorised, issued, subscribed and paid up

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹	No. of shares	₹
Authorised:				
Equity shares of ₹ 10 each	31,00,00,000	3,10,00,00,000	31,00,00,000	3,10,00,00,000
0.01% Compulsorily Convertible Preference shares of ₹ 10 each	5,40,00,000	54,00,00,000	5,40,00,000	54,00,00,000
	36,40,00,000	3,64,00,00,000	36,40,00,000	3,64,00,00,000
Issued, subscribed and fully paid up:				
Equity shares of ₹ 10 each	28,53,40,000	2,85,34,00,000	28,53,40,000	2,85,34,00,000
0.01% Compulsorily Convertible Preference shares of ₹ 10 each	5,40,00,000	54,00,00,000	5,40,00,000	54,00,00,000
	33,93,40,000	3,39,34,00,000	33,93,40,000	3,39,34,00,000

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹	No. of shares	₹
At the beginning of the year	28,53,40,000	2,85,34,00,000	28,53,40,000	2,85,34,00,000
Issued during the year as fully paid	-	-	-	-
At the end of the year	28,53,40,000	2,85,34,00,000	28,53,40,000	2,85,34,00,000

(iii) Reconciliation of 0.01% Compulsorily convertible preference share (CCPS) - issued, subscribed & paid up:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹	No. of shares	₹
At the beginning of the year	5,40,00,000	54,00,00,000	-	-
Issued during the year as fully paid	-	-	5,40,00,000	54,00,00,000
At the end of the year	5,40,00,000	54,00,00,000	5,40,00,000	54,00,00,000

(iv) Terms / rights attached to Shares:

a) Equity shares of ₹ 10 each

The Company has only one class of equity share having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company has not issued any securities during the year with the right/option to convert the same into equity shares at a later date. The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment. The shares issued carry equal rights to dividend declared by the company and no restrictions are attached to any specific shareholder.

b) 0.01% Compulsorily Convertible Preference Shares of ₹ 10 each

The preference shares shall be converted into equity shares at face value of ₹ 10 on or before the 10th year from the date of allotment in one or more tranches as the case maybe. Preference share holders shall be Non-participating rights in the surplus funds. Preference share holders shall be Non-participating rights in the surplus assets and profits, on winding up which may remain after the entire capital has been repaid. Preference share holders would be paid dividend, if any, on non cumulative basis. Preference share holder carry voting rights as per provisions of Section 47 (2) of the Act.

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹	No. of shares	₹
L&T Infrastructure Development Projects Limited (including nominee holding)	24,33,39,998	2,43,33,99,980	24,33,39,998	2,43,33,99,980
L&T Transportation Infrastructure Limited	4,20,00,000	42,00,00,000	4,20,00,000	42,00,00,000
	28,53,39,998	2,85,33,99,980	28,53,39,998	2,85,33,99,980

Note: During the previous year, L&T Transportation Infrastructure Limited has acquired 4,20,00,000 equity shares of L&T Deccan Tollways Limited each ₹ 10/- at par from L&T Infrastructure Development Projects Limited on December 24, 2019.

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹	No. of shares	₹
L&T Infrastructure Development Projects Limited	5,40,00,000	54,00,00,000	5,40,00,000	54,00,00,000
	5,40,00,000	54,00,00,000	5,40,00,000	54,00,00,000

Note: During previous year, the Company has allotted 5,40,00,000 preference shares each of ₹ 10/- at par to L&T Infrastructure Development Projects Limited on June 26, 2019.

(vii) Details of Shareholders holding more than 5% shares in the Company:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	%	No. of shares	%
L&T Infrastructure Development Projects Limited (including nominee holding)	24,33,39,998	85.28%	24,33,39,998	85.28%
L&T Transportation Infrastructure Limited	4,20,00,000	14.72%	4,20,00,000	14.72%

(viii) 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

(ix) Calls unpaid : Nil, Forfeited Shares : Nil;



L&T Deccan Tollways Limited
Notes forming part of financial statements for the year ended March 31, 2021

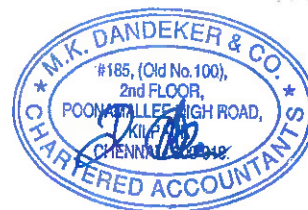
9 Other Equity

As at March 31, 2021

Particulars	Equity component of compound financial instruments	Retained earnings	Total ₹
Balance at the beginning of the year	74,62,47,930	(5,85,08,15,576)	(5,10,45,67,646)
Profit/(loss) for the year	-	(34,59,64,341)	(34,59,64,341)
Other comprehensive income	-	10,78,894	10,78,894
Balance at the end of the year	74,62,47,930	(6,19,57,01,023)	(5,44,94,53,093)

As at March 31, 2020

Particulars	Equity component of compound financial instruments	Retained earnings	Total ₹
Balance at the beginning of the year	-	(3,43,32,68,806)	(3,43,32,68,806)
Equity component of loan from Related Party	20,62,47,930	-	20,62,47,930
Profit/(loss) for the year	-	(2,41,75,72,084)	(2,41,75,72,084)
Other comprehensive income	-	25,314	25,314
Issue of 0.01% Compulsorily Convertible Preference Share Capital	54,00,00,000	-	54,00,00,000
Balance at the end of the year	74,62,47,930	(5,85,08,15,576)	(5,10,45,67,646)



10 Borrowings

Particulars	As at March 31, 2021			As at March 31, 2020		
	Current ₹	Non current ₹	Total ₹	Current ₹	Non current ₹	Total ₹
Secured borrowings						
a) Term loans						
i) From banks	-	6,55,87,44,631	6,55,87,44,631	-	6,70,99,30,662	6,70,99,30,662
ii) From Financial Institution (Refer note (i) below)	-	3,42,21,76,191	3,42,21,76,191	-	3,41,64,82,597	3,41,64,82,597
Unsecured borrowings						
a) Loan from related party (Refer note (ii) below)	28,00,00,000	10,49,20,311	38,49,20,311	28,00,00,000	9,44,83,857	37,44,83,857
b) Deferred payment liabilities (Refer note C(16))	-	10,57,56,79,036	10,57,56,79,036	-	11,08,22,07,996	11,08,22,07,996
	28,00,00,000	20,66,15,20,169	20,94,15,20,169	28,00,00,000	21,30,31,05,112	21,58,31,05,112

Notes:

- i) During the previous year, Tranche B Loan from Axis Bank Ltd amounting to ₹ 134,87,98,439 was taken over by Aditya Birla Finance Limited with same terms and conditions.
- ii) During the previous year, the Company had obtained in principle approval from its existing senior lenders for novation of loan amounting to ₹ 30,00,00,000 borrowed from L&T Transportation Infrastructure Limited. The repayment of ₹ 30,00,00,000 shall be subservient to the existing senior debt and shall commence after full repayment of existing senior debt obligations. The balance unsecured borrowings of ₹ 28,00,00,000 (see schedule 10(d) below) is shown as current borrowings as the same is repayable to L&T Transportation Infrastructure Limited on demand.

a) Details of Term Loans

Particulars	Effective interest rate	Terms of repayment
Term loans from banks (Tranche A)	1 year MCLR + applicable spread	Repayable in 162 unequal monthly instalments commencing from October 2017
Term loan from financial institution (Tranche B)	Base rate + applicable spread	Repayable in 120 unequal monthly instalments commencing from April 2021

b) 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.

c) Presentation of Term Loans in the Balance Sheet is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Long term borrowings	9,98,09,20,822	10,12,64,13,259
Current maturities of long term borrowings	24,80,82,000	7,04,13,000

d) Details of unsecured loans

The unsecured loan of ₹ 28,00,00,000 taken from a related party is repayable on demand and carries no interest.

e) There has been no default in the repayment of borrowings and interest obligations during the year.

f) As at March 31, 2021, the Company has ₹ 30,68,56,274 (Previous year end March 31, 2020 ₹40,68,86,091) of undrawn committed borrowing facilities.

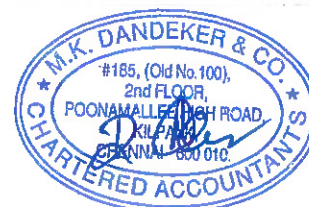
11 Trade payables

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current ₹	Non Current ₹	Current ₹	Non Current ₹
Dues to related parties	36,74,821	-	56,61,550	-
Dues to others:				
- Total Outstanding dues to micro, small and medium enterprises	96,21,839	-	1,40,49,246	-
- Total Outstanding dues of creditors other than micro, small and medium enterprises	2,04,90,758	-	1,17,01,636	-
	3,37,87,438	-	3,14,12,432	-

12 Other financial liabilities

Particulars	As at March 31, 2021			As at March 31, 2020		
	Current ₹	Non current ₹	Total ₹	Current ₹	Non current ₹	Total ₹
a) Current maturities of long term borrowings	24,80,82,000	-	24,80,82,000	7,04,13,000	-	7,04,13,000
b) Interest accrued on:						
- Negative grant deferment (Refer Note C (16))	-	-	-	-	20,86,02,000	20,86,02,000
c) Other liabilities:						
- Creditors for capital supplies	30,16,70,378	-	30,16,70,378	37,80,56,295	-	37,80,56,295
- Advance received from NHAI	1,43,19,616	-	1,43,19,616	1,73,98,631	-	1,73,98,631
d) Security deposits	-	13,85,670	13,85,670	-	13,85,670	13,85,670
e) Payable to NHAI (Refer Note below)	1,32,75,855	-	1,32,75,855	-	-	-
	57,73,47,849	13,85,670	57,87,33,519	46,58,67,926	20,99,87,670	67,58,55,596

Note: National Highways Authority of India (NHAI) has mandated 100% FASTag Toll Collections for all vehicles from February 16, 2021 onwards. As per the directions from NHAI, the Concessionaire has to collect additional fee from vehicles not fitted with FASTag or vehicles without valid functional FASTag. Accordingly, the Company has collected the additional fee and shown the same as payable to NHAI.



13 Provisions

Particulars	As at March 31, 2021			As at March 31, 2020		
	Current ₹	Non current ₹	Total ₹	Current ₹	Non current ₹	Total ₹
Provision for employee benefits:						
- Leave Encashment - Net of plan assets	-	-	-	-	4,04,075	4,04,075
- Retention Pay	2,84,159	2,51,767	5,35,926	9,78,722	12,52,133	22,30,855
Provisions for major maintenance reserve	-	61,88,53,493	61,88,53,493	-	39,44,96,563	39,44,96,563
	2,84,159	61,91,05,260	61,93,89,419	9,78,722	39,61,52,771	39,71,31,493

14 Other non-current and current liabilities

Particulars	As at March 31, 2021			As at March 31, 2020		
	Current ₹	Non current ₹	Total ₹	Current ₹	Non current ₹	Total ₹
i) Liability for expenses	4,06,81,722	-	4,06,81,722	6,61,07,987	-	6,61,07,987
ii) Statutory Liabilities	46,51,982	-	46,51,982	65,05,889	-	65,05,889
iii) Other Liabilities	28,05,355	-	28,05,355	27,42,458	-	27,42,458
iv) Dues to related parties:						
- for capital goods	1,66,69,628	-	1,66,69,628	1,66,69,628	-	1,66,69,628
- for other services	-	-	-	13,65,707	-	13,65,707
	6,48,08,687	-	6,48,08,687	9,33,91,669	-	9,33,91,669

A Contingent Liabilities

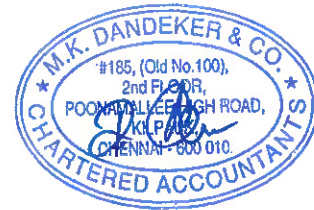
Details of Contingent liabilities are given below:

Particulars	A.Y.	As at March 31, 2021 (In ₹)	As at March 31, 2020 (In ₹)
Income tax demand	2016-17	19,09,546	19,09,546

B Commitments

(i) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for as at March 31, 2021 is ₹ 22,33,418 (previous year: ₹ 75,90,873)

(ii) Other Commitments as at March 31, 2021 is Rs. Nil (Previous Year Rs. Nil)



L&T Deccan Tollways Limited

Notes forming part of financial statements for the year ended March 31, 2021

15 Revenue from operations

Particulars	2020-21		2019-20	
	₹	₹	₹	₹
Operating revenue:				
Toll Collections	1,47,48,50,435		1,41,90,87,530	
Force majeure (COVID-19) claim from NHAI (Refer Note C15)	10,34,25,000		-	
		1,57,82,75,435		1,41,90,87,530
		1,57,82,75,435		1,41,90,87,530

16 Other income

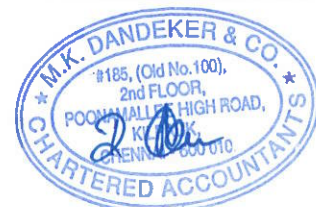
Particulars	2020-21		2019-20	
	₹	₹	₹	₹
Interest income from:				
- Bank deposits	1,57,91,904		1,95,85,955	
- IT refund	2,95,145		73,127	
		1,60,87,049		1,96,59,082
License fee from wayside amenities & others		17,79,114		1,01,890
Profit on sale of current investments		39,75,648		1,88,96,913
Net Gain/(Loss) on financial instruments designated at FVTPL		4,01,029		14,164
Profit/(loss) on disposal of property, plant & equipment		13,497		2,44,593
Other Income		-		3,77,769
Modification gain on Financial Liability (Refer note C(16))		2,37,76,30,732		-
		2,39,98,87,069		3,92,94,411

17 Operating expenses

Particulars	2020-21		2019-20	
	₹	₹	₹	₹
Toll management fees		6,05,28,927		5,77,69,406
COS expense (net):				
COS Income received from NHAI	8,51,73,901		17,96,43,286	
Less: COS Sub-contracting charges	8,51,73,901		17,96,43,286	
Security services		1,64,00,692		1,52,10,175
Insurance		1,11,42,813		51,82,777
Concession fee		1		1
Repairs and maintenance:				
- Toll road & bridges	6,92,07,762		6,25,65,102	
- Plant and machinery	50,96,862		35,34,882	
- Periodic major maintenance	17,68,15,284		15,77,98,625	
- Others	1,49,65,433		1,35,71,737	
		26,60,85,341		23,74,70,346
Professional fees		1,54,71,237		1,67,08,850
Power and fuel		2,20,94,991		2,44,43,137
		39,17,24,002		35,67,84,692

18 Employee benefit expenses

Particulars	2020-21		2019-20	
	₹	₹	₹	₹
Salaries, wages and bonus		2,15,51,111		2,45,50,238
Contributions to and provisions for:				
- Provident fund	11,79,794		12,96,629	
- Gratuity	3,88,215		6,20,229	
- Leave Encashment	(6,51,957)		20,95,035	
		9,16,052		40,11,893
Director Sitting Fees		4,95,600		4,60,200
Staff welfare expenses		22,96,861		53,30,465
		2,52,59,624		3,43,52,796



19 Finance cost

Particulars	2020-21		2019-20	
	₹	₹	₹	₹
Interest on:				
- Term Loans		1,09,18,89,403		1,11,77,28,961
- Negative Grant (Refer Note C (16))		-		12,99,82,058
- Others		140		64,230
Other Borrowing cost		-		63,72,000
Unwinding of discount and implicit interest expense on fair value (Refer Note C (16))		1,72,42,83,676		1,14,54,69,179
		2,81,61,73,219		2,39,96,16,428

20 Administration and other expenses

Particulars	2020-21		2019-20	
	₹	₹	₹	₹
Rent, rates and taxes		4,78,610		20,49,460
Payments to Auditor (Refer note (a) below)		9,37,510		5,72,300
Professional fees		1,04,06,466		57,78,626
Postage and communication		13,15,059		7,84,059
Printing and stationery		2,18,155		2,83,924
Travelling and conveyance		49,71,018		67,32,642
Insurance		37,347		4,92,652
Repairs and Maintenance - Others		20,64,331		23,57,982
Bank Charges		20,51,794		16,75,934
Miscellaneous expenses		11,20,476		14,35,257
		2,36,00,766		2,21,62,836

(a) Details of Payments to auditor (including GST) are as follows:

Particulars	2020-21	2019-20
	₹	₹
a) As auditor	2,36,000	2,36,000
b) For taxation matters	59,000	59,000
c) For certification and other services	6,42,510	2,77,300
Total	9,37,510	5,72,300



L&T Deccan Tollways Limited

C Notes forming part of financial statements for the year ended March 31, 2021

1 Corporate Information

L&T Deccan Tollways Limited is a Special Purpose Vehicle (SPV) incorporated for the purpose of the four-laning of Maharashtra/Karnataka Border-Sangareddy section of NH-9 (from KM 348.800 to KM 493.000 of NH-9) in the states of Karnataka and Andhra Pradesh to be executed as Build Operate Transfer (Toll) project on Design Build Finance Operate and Transfer pattern under NHDP Phase IV B vide Concession Agreement dated February 02, 2012. Concession period is for twenty five years commencing from April 01, 2014 being the Appointed Date in terms of clause 3.1 of the agreement. The Concession is for a period of 25 years including the construction period. At the end of the 25 years, the entire facility will be transferred to National Highways Authority of India. The Company had commenced commercial operations since October 14, 2017. The Company has received the completion certificate for 142.786km with respect to the provisional COD certificate issued by Independent Engineer dated October 14, 2017. During the previous year, the Company has completed the work for 0.900 km at Tadola village for which NHAI has given confirmation of completion vide letter dated March 24, 2020. The Company has completed the balance work of 1.300 km at Bangur for which NHAI has recommended for including this length in tolling from F.Y 2021-2022 onwards.

2 The CIF value of imports made during the year in foreign currency is ₹ Nil (previous year: ₹81,107) and expenditure incurred in foreign currency during the year is ₹ 17,94,834 (previous year: ₹8,32,554)

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.

An amount of ₹ 11,79,794 (previous year : ₹ 12,96,629) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expenses (Note 18) in the Statement of Profit and loss.

(ii) Defined benefit plans: - Gratuity Plan

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

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

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

Particulars	As at	As at
	March 31, 2021	March 31, 2020
	₹	₹
A) Present value of defined benefit obligation		
- Wholly funded	19,34,836	24,32,234
Less: Fair value of plan assets	32,23,325	28,24,075
Amount to be recognised as liability or (asset)	(12,88,489)	(3,91,841)
B) Amounts reflected in the Balance Sheet		
Liabilities	(12,88,489)	(3,91,841)
Assets	-	-
Net Liability / (asset)	(12,88,489)	(3,91,841)

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

Particulars	As at	As at
	March 31, 2021	March 31, 2020
	₹	₹
1 Current service cost	4,30,404	6,81,872
2 Interest on Defined benefit obligation	(42,189)	(61,643)
	3,88,215	6,20,229

d) Remeasurement recognized in other comprehensive income

Particulars	Gratuity plan	
	As at	As at
	March 31, 2021	March 31, 2020
	₹	₹
Components of actuarial gain/losses on obligations:		
Due to change in financial assumptions	76,251	40,098
Due to change in demographic assumption	-	(486)
Due to experience adjustments	(11,66,510)	(1,279)
Return on plan assets excluding amounts included in interest income	11,365	(63,647)
	(10,78,894)	(25,314)



C Notes forming part of financial statements for the year ended March 31, 2021

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

Particulars	As at	As at
	March 31, 2021	March 31, 2020
	₹	₹
Opening defined benefit obligation	24,32,234	16,02,001
Current service cost	4,30,404	6,81,872
Interest cost	1,62,457	1,10,028
Actuarial losses/(gains):		
Due to change in financial assumptions	76,251	40,098
Due to change in demographic assumption	-	(486)
Due to experience adjustments	(11,66,510)	(1,279)
Benefits paid	-	-
Closing balance of the present value of defined benefit obligation	19,34,836	24,32,234

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

Particulars	As at	As at
	March 31, 2021	March 31, 2020
	₹	₹
Opening balance of fair value of plan assets	28,24,075	22,99,821
Interest Income	2,04,646	1,71,671
Return on plan assets excluding amounts included interest income	(11,365)	63,647
Contribution by employer	2,05,969	2,88,936
Benefits paid	-	-
Closing balance of fair value of plan assets	32,23,325	28,24,075

The actual return on the assets is ₹ 1,93,281

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

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Insurer managed funds	100%	100%
	100%	100%

h) Principal actuarial assumptions at the Balance Sheet date:

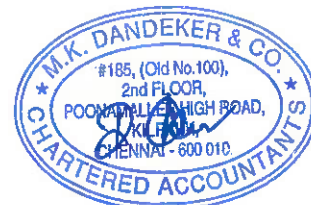
Particulars	As at	As at
	March 31, 2021	March 31, 2020
1) Discount rate	6.50%	6.95%
2) Expected return on plan asset	6.50%	6.95%
3) Salary growth rate	6.00%	6.00%
4) Attrition rate	3% to 15% based on the age band	3% to 15% based on the age band

i) A quantitative sensitivity analysis for significant assumption as at March 31, 2021

Particulars	As at		As at	
	March 31, 2021		March 31, 2020	
	Change	Obligation	Change	Obligation
i) Discount rate	+0.5%	18,50,424	+0.5%	23,33,990
	-0.5%	20,25,858	-0.5%	25,37,405
ii) Salary growth rate	+0.5%	20,25,858	+0.5%	25,37,864
	-0.5%	18,49,654	-0.5%	23,32,680

4 Disclosure pursuant to Ind AS 23 "Borrowing Costs"

Borrowing cost capitalised during the year ₹ Nil (previous year : ₹ Nil) and amount charged to Statement of Profit and Loss is ₹ 1,09,18,89,403 (previous year ₹ 1,11,77,28,961).



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

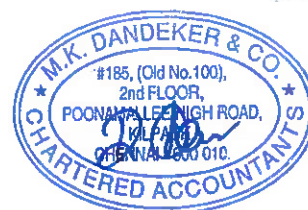
The Company is engaged in the business of construction, operation and maintenance of Toll road projects on a Build Operate Transfer basis in a single business segment. Hence, reporting of operating segments does not arise. The Company does not have operations outside India. Hence, disclosure of geographical 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
Associate Company:	L&T Transportation Infrastructure Limited
Fellow Subsidiaries:	L&T Rajkot Vadinar Tollway Limited L&T Sambalpur Rourkela Tollways Ltd.
Key Management Personnel:	Mr. Koshy Varghese - Independent Director Ms. Samyuktha Surendran - Independent Director Mr. Veeraragavan Amirthalingam - Independent Director Mr. Pramod Sushila Kapoor - Director Mr. R G Ramachandran - Director Ms. Sindhu Kizhuveetil - Chief Financial Officer Mr. Karthikeyan T V - Company Secretary Mr. Rajesh Vichare - Manager

b) Disclosure of related party transactions:

Particulars	2020-21	2019-20
	₹	₹
1. Purchase of goods and services incl. taxes		
Ultimate Holding Company		
Larsen & Toubro Limited	46,26,110	82,48,24,928
Holding Company		
L&T Infrastructure Development Projects Limited	3,47,96,319	3,34,77,622
2. Purchase of Property, plant & equipment		
Fellow Subsidiaries		
L&T Rajkot - Vadinar Tollway Limited	-	27,265
L&T Sambalpur Rourkela Tollway Limited	-	4,51,247
3. Sale of Property, plant & equipment		
Holding Company		
L&T Infrastructure Development Projects Limited	1,00,578	-
Fellow Subsidiaries		
L&T Sambalpur Rourkela Tollways Ltd.	-	68,114
4. Reimbursement of expenses charged from		
Ultimate Holding Company		
Larsen & Toubro Limited	13,76,296	34,96,473



C) Notes forming part of financial statements for the year ended March 31, 2021

Particulars	2020-21	2019-20
	₹	₹
5. Issue of 0.01% Compulsorily Convertible Preference Share Capital Holding Company L&T Infrastructure Development Projects Limited	-	54,00,00,000
6. Payment of Salary / Perquisites Key Management Personnel Manager - Rajesh Vichare	23,51,781	22,35,138

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

Particulars	Amounts due (to)/from	
	As at March 31, 2021	As at March 31, 2020
Ultimate Holding Company Larsen & Toubro Limited	(1,68,24,748)	(1,70,92,609)
Holding Company L&T Infrastructure Development Projects Limited	(35,19,701)	(52,38,569)
Associate Company L&T Transportation infrastructure Limited	(58,00,00,000)	(58,00,00,000)
Fellow Subsidiaries L&T Chennai-Tada Tollway Limited	-	(13,65,708)

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 March 31, 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2020 is 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 payables and there is no expense recognized in respect of bad and doubtful debts due from related parties.

f) Compensation of Key Management personnel

Particulars	(Amount in ₹)	
	As at March 31, 2021	As at March 31, 2020
Director sitting Fees (Independent Directors)	4,95,600	4,60,200

7 Disclosure pursuant to Ind AS 12 "Income taxes"

The major components of income tax expense for years ended March 31, 2021 and March 31, 2020 are: (Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Current tax :		
Adjustments of current tax of previous year	-	6,82,634
Income tax reported in the statement of profit and loss	-	6,82,634

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 April 01, 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 acquired any assets under Finance lease. The Company has taken office premises and residential premises 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 & loss during the year is ₹ 3,60,000 (previous year ₹ 2,01,048)



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		2020-21 Amount (₹)	2019-20 Amount (₹)
Basic EPS			
Profit after tax as per accounts (₹)	A	(34,59,64,341)	(2,41,75,72,084)
Weighted average number of Equity shares outstanding	B	28,53,40,000	28,53,40,000
Basic earnings per equity share (₹)	A / B	(1.21)	(8.47)
Face value per equity share (₹)		10.00	10.00
Diluted EPS			
Profit after tax as per accounts (₹)	A	(34,59,64,341)	(2,41,75,72,084)
Weighted average number of Equity shares outstanding	B	28,53,40,000	28,53,40,000
Weighted average number of 0.01% CCPS outstanding	C	5,40,00,000	-
Diluted earnings per equity share (₹)		(1.02)	(8.47)
Face value per equity share (₹)		10.00	10.00

Note: Potential equity shares that will arise on conversion of Compulsorily Convertible Cumulative Preference Shares are resulting in anti dilution of EPS in the current year. Hence, they have not been considered in the computation of diluted EPS in accordance with Ind AS 33 "Earnings Per Share."

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) Contingent Liabilities :

Disclosure in respect of contingent liabilities is given as part of Note A to the Balance Sheet.

b) Nature of provisions:

i) Major Maintenance Provision

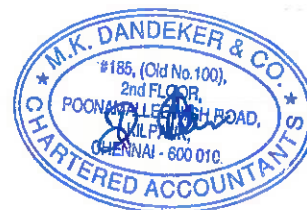
The Company is required to operate and maintain the project highway during the entire concession period and hand over the project back to the Authority (NHAI) as per the maintenance standards prescribed in Concession agreement.

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.

ii) Movement in Major Maintenance Provision

Particulars	As at March 31, 2021 Amount (₹)	As at March 31, 2020 Amount (₹)
Provision for Periodic Major Maintenance:		
Balance at the beginning of the year	39,44,96,563	21,12,40,841
Additional provision during the year	17,68,15,284	15,77,98,625
Unwinding of discount and changes in discount rate	4,75,41,646	2,54,57,097
Balance at the closing of the year	61,88,53,493	39,44,96,563



L&T Deccan Tollways Limited**C) Notes forming part of financial statements for the year ended March 31, 2021****12 Arbitration Proceedings**

The Company entered into Concession Agreement with National Highways Authority of India (NHAI) on 02.02.2012 for four laning of Maharashtra/Karnataka Border to Sangareddy section of National Highway No. 9 (NH-9) from km 348.800 to km 493.000 in the state of Karnataka and Telangana to be executed on BOT (Toll) on DBFOT pattern under NHDP Phase IVB. Subsequently, NHAI and the Company entered into a Supplementary Agreement on 14.03.2017 for amending the arbitration clause. Number of issues had arisen in respect of the Concession Agreement between the Company and NHAI. Due to that, the Company has suffered significant financial losses. As the issues could not be resolved amicably, the Company notified the issues as "Dispute" in terms of Article 44.1.1 of the Concession Agreement and referred the "Disputes" to the Committee of Chairman of NHAI and Chairman/Board of Directors of the Company for resolution in terms of Article 44.2 of the Concession Agreement.

As the referred disputes remained unresolved, the Company had referred the Disputes for Arbitration vide its letter dated 07.06.2019, in the manner provided in Article 44.3 of the Concession Agreement, as amended by way of the Supplementary Agreement to the Concession Agreement dated 14.03.2017 and nominated its nominee Arbitrator. The NHAI also appointed its nominee arbitrator and the arbitral tribunal was constituted on September 15, 2020. In the meantime, NHAI requested for conciliation proceedings for settlement of the Claims. Arbitration proceedings were kept on abeyance for six months on the request of both the parties as the parties are trying to settle the disputes by way of Conciliation before the Conciliation Committee of Independent Experts (CCIE). After deliberations, the dispute is settled with NHAI and accordingly a settlement agreement was entered between the Company and NHAI on March 26, 2021. As per the settlement agreement, NHAI has agreed to settle all the claims including COVID 19 related claims of the Company for an amount of Rs.114.42 Crore (inclusive of all taxes) with the following obligations for both the Parties.

Obligations of NHAI:

- NHAI undertakes and agrees to release a sum of Rs. 114.42 crore (Inclusive of all taxes) to the Company.
- NHAI agrees to withdraw all claims/demands/notices/against the Company till the date of the settlement agreement.

Obligations of the Company:

- The Company agrees to withdraw the arbitration proceedings against NHAI and file an application with the Arbitral Tribunal evidencing such withdrawal within 3 working days from the date of receipt of Settlement amount.
- The Company agrees to withdraw all claims/demands/notices/ against NHAI till the date of the supplementary agreement and no claims shall be raised by the Concessionaire in future, for the period from the date of signing of Concession Agreement to the date of the settlement agreement.
- The Company shall pay an amount of Rs.4.49 crore related to Negative Change of Scope vide NHAI letter no. NHA/KNT/MH-KNTSangareddy/2019/139698 dated August 21, 2019 to NHAI. This amount of Rs. 4.49 crore shall be deducted from the payment of Settlement amount by NHAI.

Though, the Company has received an amount of Rs. 108.28 Crore in the escrow account on April 19, 2021, the impact of the settlement agreement signed between NHAI and the Company is not provided in the books of accounts as at March 31, 2021. The breakup of the amount received from NHAI is given below:

Description	Amount in Crore
Settlement amount from NHAI (including COVID - 19 claim of Rs.10.34 crore)	114.42
Deduction against Negative Change of Scope	(4.49)
Net Receivable	109.93
TDS @ 1.50%	(1.65)
Amount received from NHAI	108.28

The Company had entered into an settlement agreement dated March 25, 2019 with L&T (Ultimate Holding Company) for settlement of various claims raised by them for the construction period. As per the settlement agreement, the Company has settled an amount of Rs.98.84 Crore to L&T during 2018-19 and 2019-20. Further, L&T would be raising invoice pertaining to Material Adverse Effect Claims which is now certified by NHAI under the settlement agreement entered on March 26, 2021. The amount so payable to L&T shall be agreed upon and will be settled post finalization of the quantum between the parties.

Hence, the impact of the amount received from NHAI will be accounted in the books of accounts once the final settlement payable to L&T is crystallized and a final settlement agreement is entered between the Company and L&T. Further, as the settlement amount is pertaining to construction period, the balance amount to be crystallized will be reduced from "Intangible assets – User Toll Collection rights" after final settlement to L&T and COVID-19 claim amount of Rs. 10.34 crore.

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

For the purpose of the Company's capital management, capital includes issued equity capital 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.



L&T Deccan Tollways Limited

C) Notes forming part of financial statements for the year ended March 31, 2021

14 Going Concern

The Company operates in the infrastructure business sector which involves huge capital investments. The Company's network has fully eroded. However, the management expect that the Company's revenue for the subsequent financial years will be sufficient to meet the expenditure and recoup the losses incurred thereby strengthening the financial position of the Company. Further, there is continuing support from the Holding Company and the Company will be able to discharge all its obligations in foreseeable future. Accordingly, the financial statements have been prepared on going concern

15 COVID-19 Disclosure:

The Government of India had announced the nationwide lock down with effect from March 25, 2020 and accordingly the National Highways Authority of India ("NHAI") had ordered for suspension of tolling in the country from March 26, 2020 to April 19, 2020 due to the pandemic effect of COVID 19. However, the operations at Toll Plazas continued with respect to the regular operations and maintenance of the corridor. The Company had started collecting the toll fee from the road users from April 20, 2020 onwards.

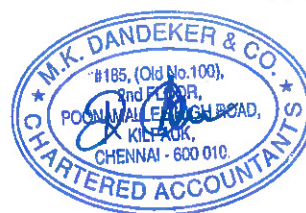
The Company had declared the above event as a Event of force majeure and notified to NHAI as per the provisions of the Concession agreement. The Company is protected by the clauses of the Concession Agreement to claim such loss under force majeure event, either in the form of force majeure cost or revenue loss compensation by way of extension of the concession period or by both. On resumption of Toll collections, the Company had filed their claim of reimbursement of expense as per clause no. 16 of the Concession agreement as force majeure claim for the toll suspended period i.e. March 26, 2020 to April 19, 2020. But, as per the settlement agreement (Refer Note 12 for the details of the settlement agreement) entered between NHAI and the Company dated March 26, 2021, NHAI settled an amount of Rs. 10.34 crore (Toll suspended period i.e. 24.625 days x ADC @ 0.42c) along with the settlement amount of Rs. 109.93 crore as mentioned in the agreement. Accordingly, the Company has accounted the Rs.10.34 crore as receivable from NHAI in the books of accounts for the year ended March 31, 2021.

16 Deferment of premium to Authority (NHAI):

The obligation towards premium payable to NHAI as per Article 26, clause 26.2.1. of the Concession agreement is recognized as deferred payment liability when the Company, in its capacity of Concessionaire, becomes entitled to exercise the right and collect toll in accordance with the terms of the concession agreement on Commercial Operations Date. The total premium payable by the Company till the end of the concession period is capitalized as a part of cost of Toll Collection Rights under intangible assets on recognition of deferred payment liability. The deferred payment liability shall stand reduced based on actual payment towards premium payable to the Authority (NHAI) as and when the same is paid.

The Company submitted its application vide its letter ref. no. L&TDTL/NHAI-M(F)/2018-19/21A/21 dated February 20, 2019 for deferment of premium with NHAI. The Company had received the approval from the Authority (NHAI) vide its letter dated October 30, 2019 for deferment of premium with the condition of repaying all the past liability due with interest @ RBI bank rate + spread @ 2% (currently @ 6.25%) on quarterly compounding basis and furnishing of Corporate Guarantee by the Company. NHAI approved the deferment on March 26, 2021 without furnishing of Corporate Guarantee by the Company and also entered into Supplementary agreement -II to Concession agreement with the Company on the same date. Accordingly, the carrying value of the deferred payment liabilities have been restated to provide the impact of the deferment agreement in the books of accounts for the year ended March 31, 2021. The Net Gain on restatement of the liability has been accounted in the books of accounts for the year ended March 31, 2021. The deferment approval is subject to payment of interest @ RBI bank rate + spread @ 2% (currently @ 6.25%). Accordingly, the Company has estimated the interest payable on NHAI premium till the end of the concession period and discounted the same to comply with the Indian Accounting Standards and the impact of the same was accounted in the books for the year ended March 31, 2021.

17 Previous year figures are regrouped/reclassified wherever necessary.



L&T Decam Tollways Limited
 C) Notes forming part of financial statements for the year ended March 31, 2021
 18 Financial Instruments

Disclosure of Financial Instruments by Category

Financial instruments by categories	Note No.	As at March 31, 2021		As at March 31, 2020			
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost.
Financial Assets							
Security Deposits	3	-	-	65,07,268	-	-	64,76,212
Investment in Liquid Mutual Fund Units	6	13,79,73,091	-	-	14,96,66,193	-	-
Cash and cash equivalents	7	-	-	3,15,37,718	-	-	1,08,01,973
Other Bank Balances	7(a)	-	-	33,53,51,491	-	-	32,46,10,291
Total Financial Assets		13,79,73,091	-	37,33,96,477	14,96,66,193	-	34,18,88,476
Financial Liabilities							
Term Loan from Banks	10 & 12	-	-	6,80,68,26,631	-	-	6,78,03,43,662
Term Loan from Others	10	-	-	3,42,21,76,191	-	-	3,41,64,82,597
Deferred payment liabilities (including interest accrued)	10 & 12	-	-	10,57,56,79,036	-	-	11,29,08,09,996
Loan from Related Party	10	-	-	38,49,20,311	-	-	37,44,83,857
Other Current Financial Liabilities	12	-	-	32,92,65,849	-	-	39,54,54,926
Other Non-Current Financial Liabilities	12	-	-	13,85,670	-	-	13,85,670
Trade Payables	11	-	-	3,37,87,438	-	-	3,14,12,432
Total Financial Liabilities		-	-	21,55,40,41,126	-	-	22,29,03,73,140

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.

19 Fair value of Financial assets and liabilities at amortized cost

Particular	Note No.	As at March 31, 2021		As at March 31, 2020	
		Carrying amount.	Fair value	Carrying amount	Fair value
Financial Assets					
Security Deposits	3	65,07,268	65,07,268	64,76,212	64,76,212
Cash and cash equivalents	7	3,15,37,718	3,15,37,718	1,08,01,973	1,08,01,973
Other Bank Balances	7(a)	33,53,51,491	33,53,51,491	32,46,10,291	32,46,10,291
Total Financial Assets		37,33,96,477	37,33,96,477	34,18,88,476	34,18,88,476
Financial Liabilities					
Term Loan from Banks	10 & 12	6,80,68,26,631	6,80,68,26,631	6,78,03,43,662	6,78,03,43,662
Term Loan from Others	10	3,42,21,76,191	3,42,21,76,191	3,41,64,82,597	3,41,64,82,597
Deferred payment liabilities(including interest accrued)	10 & 12	10,57,56,79,036	10,57,56,79,036	11,29,08,09,996	11,29,08,09,996
Loan from Related Party	10	38,49,20,311	38,49,20,311	37,44,83,857	37,44,83,857
Other Current Financial Liabilities	12	32,92,65,849	32,92,65,849	39,54,54,926	39,54,54,926
Other Non Current Financial Liabilities	12	13,85,670	13,85,670	13,85,670	13,85,670
Trade Payables	11	3,37,87,438	3,37,87,438	3,14,12,432	3,14,12,432
Total Financial Liabilities		21,55,40,41,126	21,55,40,41,126	22,29,03,73,140	22,29,03,73,140

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

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

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



20 Fair Value Measurement

Fair Value Measurement of Financial asset and Financial liabilities

Fair value hierarchy as at March 31, 2021

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 Funds units	6	13,79,73,091	-	-	13,79,73,091
Total of Financial Assets		13,79,73,091	-	-	13,79,73,091
Financial Liabilities measured at FVTPL		-	-	-	-
Total of Financial Liabilities		-	-	-	-

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	3	-	65,07,268	-	65,07,268
Total of Financial Assets		-	65,07,268	-	65,07,268
Financial Liabilities					
Term Loan from Banks	10 & 12	-	6,80,68,26,631	-	6,80,68,26,631
Term Loan from Others	10	-	3,42,21,76,191	-	3,42,21,76,191
Deferred payment liabilities (including Interest accrued)	10 & 12	-	10,57,56,79,036	-	10,57,56,79,036
Loan from Related Party	10	-	38,49,20,311	-	38,49,20,311
Other Current Financial Liabilities	12	-	32,92,65,849	-	32,92,65,849
Other Non Current Financial Liabilities	12	-	13,85,670	-	13,85,670
Trade Payables	11	-	3,37,87,438	-	3,37,87,438
Total Financial liabilities		-	21,55,40,41,126	-	21,55,40,41,126

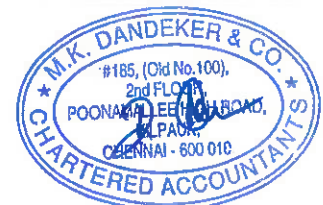
Fair value hierarchy as at March 31, 2020

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	6	14,96,66,193	-	-	14,96,66,193
Total of Financial Assets		14,96,66,193	-	-	14,96,66,193
Financial Liabilities measured at FVTPL		-	-	-	-
Total of Financial Liabilities		-	-	-	-

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	3	-	64,76,212	-	64,76,212
Total Financial Assets		-	64,76,212	-	64,76,212
Financial Liabilities					
Term Loan from Banks	10 & 12	-	6,78,03,43,662	-	6,78,03,43,662
Term Loan from Others	10	-	3,41,64,82,597	-	3,41,64,82,597
Loan from Related Party	9	-	37,44,83,857	-	37,44,83,857
Other Current Financial Liabilities	12	-	39,54,54,926	-	39,54,54,926
Other Non Current Financial Liabilities	12	-	13,85,670	-	13,85,670
Trade Payables	11	-	3,14,12,432	-	3,14,12,432
Total Financial Liabilities		-	22,28,89,87,470	-	22,28,89,87,470

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

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



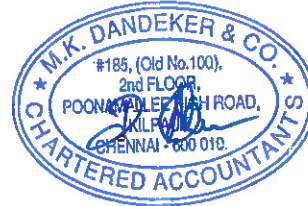
C) Notes forming part of financial statements for the year ended March 31, 2021

Valuation technique and inputs used to determine fair value

Financial assets and liabilities	Valuation method	Inputs
Financial assets		
Investment in Liquid Mutual Fund Units	Market Approach	NAV
Security deposits	Income	Cash flow
Financial liabilities		
Term Loan from Banks	Income	Current Bank Rate
Loans from Related parties	Income	Interest free
Negative grant payable to NHAI	Income	Cash flow
Trade Payables	Income	Cash flow

21 Assets pledged as security

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
Non Financial Assets			
Property, Plant & Equipment	1	1,77,44,272	1,89,11,987
Security Deposits	3	65,07,268	64,76,212
Financial Assets			
Cash and Cash Equivalents	7	3,15,37,718	1,08,01,973
Investment in Liquid Mutual Fund Units	6	13,79,73,091	14,96,66,193
Security Deposits	3	65,07,268	64,76,212
Other Bank Balances	7(a)	33,53,51,491	32,46,10,291
Total		53,56,21,108	51,69,42,868



T Deccan Tollways Limited

Notes forming part of financial statements for the year ended March 31, 2021

Financial Risk Management

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

Market risk

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

i Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Company is not exposed to foreign currency risk as it has no 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 & Financial Institutions are at variable rate, which is an inherent business risk.

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

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
Senior Debt from Banks - Variable rate borrowings	9	10,22,90,02,822	10,19,68,26,259

Sensitivity analysis based on average outstanding Senior Debt

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	F.Y. 2020-21	F.Y. 2019-20
Increase or decrease in interest rate by 25 basis points	2,55,32,286	2,55,23,578

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 investment in liquid mutual fund units 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 liquid mutual funds are as follows:

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
Investment in Liquid Mutual Fund units	6	13,79,73,091	14,96,66,193

Sensitivity Analysis

	Impact on profit/ loss after tax	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Increase or decrease in NAV by 1%	13,79,731	14,96,662

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

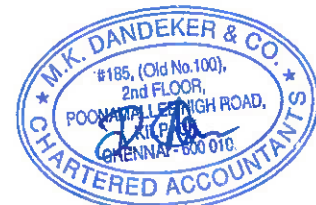
B) Liquidity risk

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

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

The Company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities 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.



T Deccan Tollways Limited

Notes forming part of financial statements for the year ended March 31, 2021

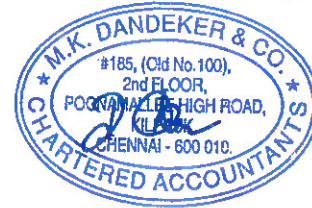
The following are the contractual maturities of financial liabilities

As at March 31, 2021	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liabilities					
Senior Debt from Banks and Financial Institution	10,22,90,02,822	24,80,82,000	45,59,10,000	2,06,15,61,000	7,46,34,49,822
Negative Grant	10,57,56,79,036	-	-	70,24,00,000	9,87,32,79,036
Loan from Related Party	38,49,20,311	28,00,00,000	-	-	10,49,20,311
Other Current Financial Liabilities	32,92,65,849	28,33,68,232	-	-	4,58,97,617
Trade Payables	3,37,87,438	1,83,25,179	-	-	1,54,62,259
Derivative Financial Liabilities	Nil	Nil	Nil	Nil	Nil
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 and Financial Institution	10,19,68,26,259	7,04,13,000	24,80,82,000	1,37,77,59,000	8,50,05,72,259
Negative Grant	11,29,08,09,996	-	-	62,50,00,000	10,66,58,09,996
Loan from Related Party	37,44,83,857	28,00,00,000	-	-	9,44,83,857
Other Current Financial Liabilities	39,54,54,926	39,54,54,926	-	-	-
Trade Payables	3,14,12,432	3,14,12,432	-	-	-
Derivative Financial Liabilities	Nil	Nil	Nil	Nil	Nil

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 collections of toll income coincide as and when the traffic passes through toll - plazas. Hence, the management believes that the Company is not exposed to any credit risk.



L&T Deccan Tollways Limited

C) Notes forming part of financial statements for the year ended March 31, 2021

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

23.1 Description and classification of the arrangement

L&T Deccan Tollways Limited is a Special Purpose Vehicle (SPV) incorporated for the purpose of the four-laning of Maharashtra/Karnataka Border-Sangareddy section of NH-9 (from KM 348.800 to KM 493.000 of NH-9) in the states of Karnataka and Andhra Pradesh to be executed as Build Operate Transfer (Toll) project on Design Build Finance Operate and Transfer pattern under NHDP Phase IV B vide Concession Agreement dated February 02, 2012. The Concession period is for twenty five years commencing from April 01, 2014 being the Appointed Date in terms of clause 3.1 of the the agreement. At the end of the 25 years, the entire facility will be transferred to National Highways Authority of India. The Company had commenced commercial operations since October 14, 2017. During the previous year, the Company has received the completion certificate for 142.786km with respect to the provisional COD certificate issued by Independent Engineer dated October 14, 2017. The Company has completed the work for 0.900 km at Tadola village for which NHAI has given confirmation of completion vide letter dated March 24, 2020. The Company has completed the balance work of 1.300 km at Bangur for which NHAI has recommended for including this length in tolling from F.Y. 2021-2022 onwards

23.2 Significant Terms of the arrangements

i) Revision of Fees:

Fees shall be revised annually on April 1 subject to the provisions Schedule G of the Concession Agreement (CA) dated January 02, 2012.

ii) Concession Fee, Other Fees and Excess Revenue Sharing:

As per Article VII of the CA, the Company is required to pay ₹1 as concession fee per annum. In addition, the Company is also required to pay an amount of ₹ 80,01,00,000 p.a., as premium, payable on or before the 7th day of the next month calculated proportionately from the commercial operation date. The premium amount is increased at a rate of 5% annually. The Company has received the approval from the Authority (NHAI) vide its letter dated October 30, 2019 for deferment of premium payable as per Article 26, clause 26.2.1 of the Concession agreement. Subsequently, the Company has entered into a supplementary agreement -II to Concession agreement dated March 26, 2021 for the aforesaid approval for deferment of premium payable to the Authority (NHAI) and the approval shall be without the requirement of furnishing a Corporate Guarantee by the Company but with the condition of repaying all the past liability due with interest @ RBI bank rate + spread @ 2% on quarterly compounding basis.

iii) 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 license to the site.

iv) Obligations of the Company

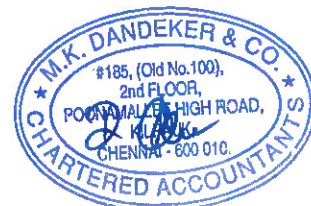
- a The Company shall not assign, transfer or sublet or create any lien or Encumbrance on the CA or the Concession granted or on the whole or any part of the Project Highway nor transfer, lease or part possession thereof, save and except as expressly permitted by CA or the Substitution Agreement.
- b The Company is under obligation to carry out the routine and periodic maintenance of Project Highway as per provision of the CA.

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

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

vi) Details of Termination

CA can be terminated on account of default of the Company or NHAI in the circumstances as specified under Chapter VI and VII of the CA.



L&T Deccan Tollways Limited

C Notes forming part of financial statements for the year ended March 31, 2021

24 Disclosure pursuant to Micro, Small and Medium Enterprises

S.No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Principal amount remaining unpaid to any supplier at the end of year	96,21,859	1,40,49,246
(ii)	Interest accrued and due thereon to suppliers under MSMED Act on the above amount remaining unpaid to any supplier at the end of year	-	-
(iii)	Payment amount made to the supplier (other than interest) beyond the appointed day during the year	-	-
(iv)	Interest amount paid by the buyer in terms of section 16 of the MSMED Act, 2006	-	-
(v)	Interest amount paid by the buyer under MSMED Act, 2006 (other than Section 16)	-	-
(vi)	Interest amount due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(vii)	Interest amount accrued and remaining unpaid at the end of the year	-	-
(viii)	Further interest amount remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note: The information has been given in respect of such vendors to the extent they could be identified as "Micro, Small and Medium" enterprises on the basis of information available with the Company.



L&T Deccan Tollways Limited

Notes forming part of financial statements for the year ended March 31, 2021

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:

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

(c) Use of estimates and judgements

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

(d) Measurement of fair values

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

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

2 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees rounded off to two decimal places in line with the requirements of Schedule III. Per share data are presented in Indian Rupees to two decimal places.

3 Revenue recognition

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

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

- 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.
- Fair value gains on current investments carried at fair value are included in Other income.
- Dividend income is recognised when the right to receive the same is established by the reporting date.
- 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, 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.

5 Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of:

- (a) transactions of a non-cash nature;
- (b) any deferrals or accruals of past or future operating cash receipts or payments and,
- (c) all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

6 Property, plant and equipment (PPE)

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

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

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

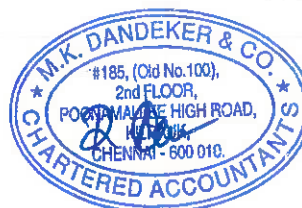
Depreciation on additions / deductions is calculated pro-rata from / to the month of additions / deductions. For the assets that are transferred / sold within the group companies, depreciation is calculated up to the month preceding the month of transfer / sale within the group.

The estimated useful life of the assets as per management evaluation are as follows:

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

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

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.



L&T Deccan Tollways Limited

Notes forming part of financial statements for the year ended March 31, 2021

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 performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

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 project is amortized over the period of concession from the date of commercial operations using the Straight line amortisation method.

10 Foreign currency transactions and translations

- a) Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
- b) Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing rate are:
 - (i) adjusted in the cost of fixed assets specifically financed by the borrowings contracted, to which the exchange differences relate.

11 Investments

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.

12 Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

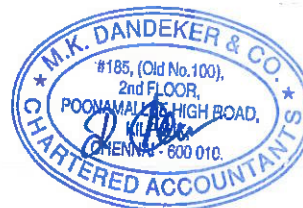
(i) Short term employee benefits

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

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

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

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.



D. Significant Accounting Policies

(ii) Post employment benefits

(a) Defined contribution plans:

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

(b) Defined benefit plans:

The employees' gratuity fund scheme and the provident fund scheme managed by the trust of the Holding Company are the Group's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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

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

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

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

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

(iii) Other long term employee benefits:

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

13 Borrowing costs

Borrowing costs include interest calculated using the effective interest method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, allocated to and utilized for acquisition, construction or production of qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset are added to the cost of the assets.

14 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 cash flows 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.



D. Significant Accounting Policies

15 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.

16 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.

17 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.

18 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.



D. Significant Accounting Policies

19 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.

20 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.

21 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.

22 Claims

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

23 Commitments

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


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

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

As per our report attached
For M.K.Dandekar & Co.
Chartered Accountants
(Firm's Registration No.: 000679S)
by the hand of

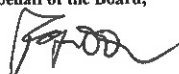



R. Arun Kumar Mehta
Partner
Membership No. 227630


R.G. Ramachandran
Director (DIN: 02671982)


K. Sindhu
Chief Financial Officer

For and on behalf of the Board,


Pramod Sushila Kapoor
Director (DIN: 02914307)


Karthikeyan T.V
Company Secretary
Membership No. A9743

Place: Chennai
Date: April 20, 2021



Place: Chennai
Date: April 20, 2021