

# L&T Deccan Tollways Limited



## 12th Annual Report

## **Company Information**

### ***Board of Directors:***

Mr. P.S.Kapoor	- Director
Mr. R.G.Ramachandran	- Director
Dr. A.Veeraragavan	- Independent Director
Dr. Koshy Varghese	- Independent Director
Ms. Samyuktha Surendran	- Independent Director

### ***Registered Office***

Post Box No.979  
Mount Poonamallee Road  
Manapakkam  
Chennai - 600 089

### ***Statutory Auditors***

M/s. Gianender & Associates,  
Chartered Accountants

### ***Cost Auditors***

M/s. Srinivasan Damodaram & Associates,  
Cost Accountants

### ***Secretarial Auditors***

M/s. K. C. Raman & Co,  
Company Secretary in practice

## **NOTICE**

Notice is hereby given for the **12th ANNUAL GENERAL MEETING** of the Members of L&T DECCAN TOLLWAYS LIMITED to be held on **Tuesday, August 08, 2023, at 05:00 P.M.** at PB No. 979, Mount Poonamallee Road, Manapakkam, Chennai – 600089 to transact the following items of businesses.

### **Ordinary business:**

1. To consider and adopt the audited Financial Statements of the Company for the year ended March 31, 2023, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. R.G. Ramachandran (DIN: 02671982), who retires by rotation and being eligible, offers himself for re-appointment.
3. To approve the remuneration of M/s. Gianender & Associates, Statutory Auditors of the Company and in this connection, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force) pursuant to the resolution passed by the members at the 10<sup>th</sup> Annual General Meeting held on September 30, 2021 in respect of the appointment of M/s. Gianender & Associates, Chartered Accountants, (ICAI Regn. No.004661N) consent of the members be and is hereby accorded to pay such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.

**RESOLVED FURTHER THAT** M/s. Gianender & Associates, Chartered Accountants, (ICAI Regn. No.004661N) be and are hereby paid additional fees excluding out of pocket expenses and taxes as applicable for providing other professional services permissible under the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.

**Special business**

4. To consider and approve the remuneration of Cost Auditor and for that purpose, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost records and Audit) Rules, 2014, the members hereby ratify the remuneration of Rs. 75,000 per annum plus applicable taxes and out of pocket expenses to M/s. Srinivasan Damodaram & Associates, Cost Accountants (Membership No.000825), who are appointed as Cost Auditor to audit the cost records of the Company for the financial year 2023–24.

**By Order of the Board  
L&T Deccan Tollways Limited**

**Date: 17-07-2023  
Place: Chennai**

**Sd/-  
Ravi Masabattula  
Authorised Signatory**

**Notes:**

1. ***A statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the business under item no. 4 set out above, is annexed hereto***
2. ***A member entitled to attend, and vote is entitled to appoint a proxy to attend and to vote instead of himself and proxy need not be a member. Proxy forms should be submitted to the company 48 hours before the commencement of the meeting.***
3. *Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.*
4. *Details of Director seeking appointment/re-appointment at the Annual General Meeting of the Company are provided in Annexure A of this Notice.*
5. *All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the registered office of the company during business hours except on holidays, up to and including the date of the annual general meeting of the company.*

## **Explanatory Statement**

As required by Section 102 of the Companies Act, 2013 ("Act"), the following Explanatory Statement sets out all material facts relating to the special businesses under Item No.4 accompanying the Notice:

### **Item no.4**

#### **To consider and ratify the remuneration payable to Cost Auditor**

Pursuant to the provisions of section 148 of the Act, Companies (Audit and Auditors) Rules, 2014 and Companies (Cost records and audit) Rules, 2014, your company is required to appoint a Cost Auditor for the purpose of complying with the Cost Audit compliances under the Act.

Consequently, the Board of Directors at their meeting held on April 15, 2023, had appointed M/s. Srinivasan Damodaram & Associates, Cost Accountant (Membership No.000825), as the Cost Auditor of the Company for the financial year 2023 – 24 at a remuneration of Rs. 75,000 per annum plus tax.

Further, as per rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditor is required to be ratified by the members of the Company at a General meeting. M/s. Srinivasan Damodaram & Associates, Cost Accountants, had furnished certificates regarding their eligibility for appointment as Cost Auditors of the Company.

Accordingly, the consent of the members is sought for the aforesaid proposal.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

The Directors recommend this resolution for approval of the shareholders.

**By Order of the Board  
L&T Deccan Tollways Limited**

**Date: 17-07-2023  
Place: Chennai**

**Sd/-  
Ravi Masabattula  
Authorised Signatory**

### Annexure A

Details of the Director seeking re-appointment in the General Meeting

Name of Director/ Manager	Mr. R.G. Ramachandran
Date of Birth	May 24, 1964
Date of Appointment on the Board	January 12, 2016
Qualification	B. Com ,M. Com, PG Dip in Marketing, BGL, CA, CWA, CS
Experience	37 years
Directorships in other companies	L&T Transportation Infrastructure Limited L&T Deccan Tollways Limited International Seaports (Haldia) Private Limited L&T Sambalpur Rourkela Tollway Limited Vadodara Bharuch Tollway Limited Watrak Infrastructure Private Limited
Number of Board Meetings attended during the financial year 2022-23	Five (5)
Memberships / Chairmanship of committees across all companies	L&T Transportation Infrastructure Limited (NRC, CSR & AC) L&T Deccan Tollways Limited (NRC) L&T Sambalpur Rourkela Tollway Limited (AC)
Shareholding in the Company	1 equity share holding jointly with L&T Infrastructure Development Projects Limited
Relationship with other Directors / KMPs	-

\*AC : Audit Committee

NRC : Nomination & Remuneration Committee

CSR : Corporate Social Responsibility Committee



## BOARD'S REPORT

Dear Members,

The Directors have pleasure in presenting their report and Audited Accounts for the year ended March 31, 2023.

### Financial Results / Financial Highlights:

(Rs. in crore)

Particulars	2022-23	2021-22
Profit / (Loss) Before Depreciation, exceptional items & Tax	(104.43)	(70.57)
Less: Depreciation, amortization, impairment and obsolescence	105.89	104.29
Profit / (Loss) before exceptional items and tax	(210.32)	(174.86)
Add: Exceptional Items	-	36.10
Profit / (Loss) before tax	(210.32)	(138.76)
Less: Provision for tax (Prior years)	-	0.03
Profit for the period carried to the Balance Sheet	(210.32)	(138.79)
Add: Other comprehensive Income	-	(0.02)
Total Comprehensive income of the year	(210.32)	(138.81)
Add: Balance brought forward from previous year	(758.38)	(619.57)
<b>Balance to be carried forward</b>	<b>(968.70)</b>	<b>(758.38)</b>

### State of Company Affairs:

The total revenue including other income for the financial year under review was Rs. 234.85 crore as against Rs. 194.98 crore for the previous financial year registering an increase of 20.45%. During the current year, as per the assessment of subsistence revenue calculation, the Company has paid Rs. 73.98 crore to NHAI towards premium and Rs. 8.03 crore towards interest for FY 2017-18 to FY 2021-22. Due to the said



payment, the Company has reinstated the deferred payment liability and accordingly Rs. 44.37 crore is accounted as modification loss on the same. The loss before and after tax was Rs. 210.32 crore for the financial year under review as against loss before tax was Rs. 138.76 crore and loss after tax was Rs. 138.79 crore for the previous financial year, registering an increase in loss by 51.57% and 51.54% respectively.

Further, as part of the corporate strategy plan of the Shareholders of L&T Infrastructure Development Projects Limited (the Holding Company) i.e. Larsen & Toubro Limited (L&T) and CPPIB India Private Holdings Inc (CPPIB), the entire shareholding held by them in the Holding Company, will be transferred to Epic Concesiones Private Limited. A Share Purchase Agreement (SPA) was executed between the said parties on December 16, 2022. The compliance of conditions precedents under the SPA will result in an indirect change in control of the Company.

#### **Capital & Finance:**

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

#### **Capital Expenditure:**

As at March 31, 2023 the gross fixed and intangible assets including leased assets, stood at Rs. 2,203.98 crore and the net fixed and intangible assets, including leased assets, at Rs. 1,638.50 crore. Capital Expenditure during the year amounted to Rs. 0.04 crore. During the year, the Company has installed new toll equipments through change of scope works from NHAI. Accordingly, the Company has decapitalized the existing toll equipments which amounted to Rs. 7.72 crore from "Intangible assets-Toll equipments"

#### **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, 2023, 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 are provided in the financial statement.

**Particulars of Contracts or Arrangements with related parties:**

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

**Amount to be carried to reserve:**

Since the Company has incurred losses for the year ended March 31, 2023, 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.

**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. 14.30 Lakh.

**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. P.S Kapoor (DIN: 02914307), Director retired by rotation at the Annual General Meeting held on September 13, 2022, and he was reappointed as Director.

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

Composition of Board of Directors of the Company as on March 31, 2023, 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, 2023 are:

S. No.	Name	Designation	Date of Appointment
1	Mr. Rajesh Vichare	Manager	October 16, 2017
2	Mr. Karthikeyan T.V.	Company Secretary	January 11, 2017
3	Mr. P. Padmanabhan	Chief Financial Officer	July 11, 2022
4	Mr. Rambabu Yerra*	Chief Financial Officer	January 10, 2022

\* resigned w.e.f. June 20, 2022.

Mr. Rambabu Yerra resigned on June 20, 2022 from the post of CFO and in his place Mr. P. Padmanabhan was appointed as CFO with effect from July 11, 2022.

#### **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 5 (five) Board Meetings were held. The details of the Board meetings conducted during the year are given below:

Date	Strength	Directors Present
April 18, 2022	5	5
July 11, 2022	5	5
October 11, 2022	5	5
December 15, 2022	5	5
January 12, 2023	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, 2023, the Committee comprised of Dr. A. Veeraragavan, Dr. Koshy Varghese and Mr. Pramod Sushila Kapoor.

During the year 5 (five) audit committee meetings were held. The details of the meetings conducted during the year under review are given below:

<b>Date</b>	<b>Strength</b>	<b>Members Present</b>
April 18, 2022	3	3
July 11, 2022	3	3
October 11, 2022	3	3
December 15, 2022	3	3
January 12, 2023	3	3

### **Vigil Mechanism / Whistle Blower Policy:**

L&T IDPL and its SPVs are 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 anticipate 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](mailto:wbic@Intidpl.com), [compliance@Intidpl.com](mailto:compliance@Intidpl.com), or call to the HOTLINE number (access is only with the Compliance Officer of the L&T IPDL). Reported incidents are 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.

Member can view the details of the whistle blower policy under the said framework of the Holding Company on its website [whistle-blower-policy.pdf \(windows.net\)](#).

### **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, 2023, the committee comprised of Dr. A. Veeraragavan, Dr. Koshy Varghese and Mr. R.G. Ramachandran.

During the year, 2 (two) Meetings of the Nomination and Remuneration Committee were held. The details of the meeting conducted during the year under review are given below:

<b>Date</b>	<b>Strength</b>	<b>Members Present</b>
April 18, 2022	3	3
July 11, 2022	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, 2023, 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 Board, committees and individual directors has to be made.

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

Further, the Independent Directors at their meeting 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.

### **Disclosure of Remuneration**

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

The information in respect of employees of the Company required pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is provided in **Annexure II** forming part of this report. In terms of Section 136(1) of the Act and the rules made thereunder, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. Any Shareholder interested in obtaining a copy of the same may write to the Company Secretary at the Registered Office of the Company. None of the employees listed in the said Annexure is related to any Director of the Company.

### **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 2022-23 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. The Auditors' report to the shareholders does not contain any qualification, observation or adverse comment.

**Reporting of fraud:**

The Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013.

**Auditor:**

M/s. Gianender & Associates, Chartered Accountants, (ICAI Registration no: 004661N), were appointed as Statutory Auditors of the Company at the Annual General Meeting held on September 30, 2021, for a term of five consecutive years.

**Secretarial Auditor:**

M/s. K. C. Raman & Co, Company Secretary in practice (PCS Registration No.23371) was appointed to conduct the secretarial audit of the Company for the financial year 2022–23, as required under Section 204 of the Act and Rules thereunder. The secretarial audit report dated 15.04.2023 to the Shareholders for the financial year 2022-23 is attached as **Annexure III** to this Report and is unqualified and has no adverse remark.

**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 2022–23, 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 remuneration of the Cost Auditor was ratified at the Annual General Meeting held on September 13, 2022. The Cost Audit Report for the year 2021–22 was filed with MCA on 19.10.2022 .

**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 <https://www.Intidpl.com/businesses/roads/operational-projects/sangareddy-to-knt-mh-border-andhra-pradesh-karnataka/>

**Other Disclosures:**

- IBC: The Company has neither filed any application nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016, during FY 2023.
- The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof: The Company has not made any one-time settlement, therefore, the same is not applicable.

**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: 15.04.2023*  
*Place: Chennai*

Sd/-  
**Pramod Sushila Kapoor**  
*Director*  
*DIN: 02914307*

Sd/-  
**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 FY 2022 – 23 which required shareholders' approval as per Sec. 188(1) of the Companies Act, 2013.

b. The details of related party transactions during FY 2022 – 23 form part of the financial statements as per Ind AS 24 and the same is given in Note no. A5.

For and on behalf of the Board

*Date: 15.04.2023*  
*Place: Chennai*

Sd/-  
**Pramod Sushila Kapoor**  
*Director*  
*DIN: 02914307*

Sd/-  
**R.G. Ramachandran**  
*Director*  
*DIN:02671982*

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023  
*[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 secretarial audit, We hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2023, 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 31<sup>st</sup> March 2023 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **NA**

3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **NA**
4. Foreign Exchange Management Act, 1999 ('FEMA') and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **NA**
5. 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; **NA**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **NA**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **NA**
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **NA**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **NA**
  - 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; **NA**
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **NA** and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **NA**
6. 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 ('LODR') of Securities Exchange Board of India –**NA**

'NA' refers in this report as 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. No changes in the composition of the Board of Directors that took place during the period under review.

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 period under review, the key managerial personnel Mr. Rambabu Yerra, Chief Financial Officer resigned w.e.f. June 20, 2022 and the Company has appointed Mr. P. Padmanaban as Chief Financial Officer w.e.f. July 11, 2022.

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

**Sd/-**  
KC Raman  
(COMPANY SECRETARY IN PRACTICE)  
CP NO. 23371

PLACE CHENNAI  
DATE: 15.04.2023  
**UDIN: A009392E000124716**

**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 31.03.2023**

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. Wherever 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.

**Sd/-**  
KC Raman  
(COMPANY SECRETARY IN PRACTICE)  
CP NO. 23371

PLACE CHENNAI  
DATE: 15.04.2023



## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
L&T Deccan Tollways Limited**

**Report on the audit of the Standalone Ind AS Financial Statements**

### **Opinion**

We have audited the Standalone Ind AS financial statements of L&T Deccan Tollways Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023 and 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 Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date..

### **Basis for Opinion**

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

### **Material Uncertainty Related to Going Concern**

We draw attention to Note (10) in the financial statements, which indicates that the Company incurred a cumulative net loss of ₹ 96,869 lakhs up to 31<sup>st</sup> March 2023 resulting in a negative net-worth of the Company ₹ 60,872 lakhs. Current liability exceeds current assets by ₹ 6,568 lakhs as on 31<sup>st</sup> March 2023. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, as stated in Note A (12), it has been represented by the management 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 and therefore going concern assumption is appropriate for preparation of financial statements.

Our opinion is not modified in respect of this matter.



### **Information Other than the Ind AS Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (but does not include the standalone 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.

### **Responsibility of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 it 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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



## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("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.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - e) Our observations made on the matters stated in the 'Material Uncertainty Relating to Going Concern' paragraph above may have a significant effect so as to adversely affect the functioning of the Company.
  - f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of section 164 (2) of the Act.
  - g) 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".
  - h) 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 litigation which would impact its financial position except those disclosed in the financial statements.
    - ii. The Company did not have any long-term contract, including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



- iv.
- (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
3. With respect to the Other Matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the Company has paid the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.

For Gianender & Associates  
Chartered Accountants  
(Firm's Registration No. 004661N)

Date: 15-04-2023  
Place: New Delhi  
UDIN: 23081603BGWKOH3894

Sd/-  
G K Agrawal  
Partner  
M.No. 081603





**Annexure 'A' to the Independent Auditor's Report of L&T Deccan Tollways Limited for the Year ended as on 31<sup>st</sup> March 2023**

**Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date: -**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:
  - a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;  
B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - b) The Property, Plant and Equipment have been physically verified by the management at regular intervals and no material discrepancies were noticed on such verification.
  - c) The company has no immovable properties. Hence, reporting under this para 3(i)(c) is not applicable.
  - d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets during the year. Hence, reporting under para 3(i)(d) is not applicable.
  - e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Hence, reporting under para 3(i)(e) is not applicable.
- ii.
  - a) As the Company is engaged in the business of infrastructure development, operations and its maintenance and there is no inventory in hand at any point of time, hence paragraph 3(ii)(a) of the Order is not applicable to the Company.
  - b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Hence, reporting under para 3(iii) is not applicable.
- iv. The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Therefore, the paragraph 3(iv) of the Order is not applicable to the Company.



- v. The Company has not accepted deposits or amount which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made.
- vii. In respect of statutory dues
- a) In our opinion, the Company has been generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. As on 31st March 2023, there are no undisputed statutory dues payable for period exceeding for a period more than six month from the date they became payable.

b) Details of statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute are:

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

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) We report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has utilized the money obtained by way of term loans for the purposes for which they were obtained. The Company has not obtained any loan during the year.
- d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a) The Company has not raised moneys by way of initial public offer or further public



- offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year Hence, reporting under para 3(x)(b) is not applicable.
- xi. a) No frauds on or by the Company noticed or reported during the period under audit.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) There are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Hence, reporting under para 3(xii) is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. a) In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the company for the period 01<sup>st</sup> April 2022 to 31<sup>st</sup> December 2022, issued till date, in determining the nature, timing and extent of our audit procedures. We were unable to obtain fourth Quarter internal audit report of the company, hence the internal audit report of said period have not been considered by us.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clauses 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Therefore, paragraph 3(xvi)(b) of the Order is not applicable to the Company.
- c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under para 3(xvi)(c) is not applicable.
- d) In our opinion and according to the information and explanations given to us, the Group has no CIC as part of the Group. Hence, reporting under para 3(xvi)(d) is not applicable.
- xvii. The Company has not incurred cash losses in the financial year. The Company had not incurred cash losses during the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.



- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.(refer "Material Uncertainty Related to Going Concern" para above )

We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. The section 135 of the Companies Act, 2013 is not applicable to the Company. Hence, reporting under this para 3 (xx) (a) & (b) is not applicable.
- xxi. Paragraph 3(xvi)(a) of the Order is not applicable to the Company as the financial statements under reporting are not consolidated financial statements.

For Gianender & Associates  
Chartered Accountants  
(Firm's Registration No. 004661N)

Date:15-04-2023  
Place:New Delhi  
UDIN: 23081603BGWKOH3894

Sd/-  
G K Agrawal  
Partner  
M.No. 081603



**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 with reference to financial statements of **L&T Deccan Tollways Limited** ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.

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



### **Meaning of Internal Financial Controls with reference to financial statements**

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

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal financial controls with reference to financial statements 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 Gianender & Associates  
Chartered Accountants  
(Firm's Registration No. 004661N)

Date: 15-04-2023  
Place: New Delhi  
UDIN: 23081603BGWKOH3894

Sd/-  
G K Agrawal  
Partner  
M.No. 081603

**L&T Deccan Tollways Limited**  
**CIN:U45203TN2011PLC083661**  
**Balance Sheet as at March 31, 2023**

Particulars	Note No.	As at March 31, 2023 ₹ Lakhs	As at March 31, 2022 ₹ Lakhs
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
a) Property, plant and equipment	1	110	140
b) Intangible assets	2	1,63,740	1,74,297
c) Financial assets	3	68	66
d) Other non-current assets	4	9	8
		<b>1,63,927</b>	<b>1,74,511</b>
<b>(2) Current assets</b>			
a) Financial assets			
i) Investments	6	4,767	7,301
ii) Trade receivables	7	115	387
iii) Cash and cash equivalents	8	290	2,340
iv) Bank Balance other than ii) above	8(a)	3,862	3,792
v) Other financial assets	3	66	59
b) Current tax assets (net)	5	77	34
c) Other current assets	4	503	249
		<b>9,680</b>	<b>14,162</b>
<b>TOTAL ASSETS</b>		<b>1,73,607</b>	<b>1,88,673</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
a) Equity Share capital	9	28,534	28,534
b) Other equity	10	(89,407)	(68,375)
		<b>(60,873)</b>	<b>(39,841)</b>
<b>LIABILITIES</b>			
<b>(1) Non-current liabilities</b>			
a) Financial liabilities			
i) Borrowings	11	2,18,205	2,14,671
ii) Other financial liabilities	13	14	14
b) Provisions	15	13	2,976
		<b>2,18,232</b>	<b>2,17,661</b>
<b>(2) Current liabilities</b>			
a) Financial liabilities			
i) Borrowings	11	9,571	7,361
ii) Trade payable			
- Total Outstanding dues to micro, small and medium enterprises	12	158	49
- Total Outstanding dues of creditors other than micro, small and medium enterprises		1,022	587
iii) Other financial liabilities	13	1,196	1,844
b) Other current liabilities	14	504	619
c) Provisions	15	3,797	393
		<b>16,248</b>	<b>10,853</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,73,607</b>	<b>1,88,673</b>
Contingent liabilities	16		
Commitments	17		
Other notes forming part of accounts	A		
Significant accounting policies	B		

As per our report on even dated attached  
**For GIANENDER & ASSOCIATES**  
Chartered Accountants  
Firm's registration no. 004661N  
by the hand of

**For and on behalf of the Board,**

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

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

**G K Agrawal**  
Partner  
Membership No. 081603

**P. Padmanabhan**  
Chief Financial Officer

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

Place: New Delhi  
Date: April 15, 2023

Place: Chennai  
Date: April 15, 2023



**L&T Deccan Tollways Limited**  
**CIN:U45203TN2011PLC083661**  
**Statement of Profit and loss for the year ended March 31, 2023**

Particulars	Note No.	Year Ended March 31, 2023 ₹ Lakhs	Year Ended March 31, 2022 ₹ Lakhs
<b>REVENUE</b>			
Revenue from operations	18	22,843	18,068
Other income	19	642	1,430
<b>Total income</b>		<b>23,485</b>	<b>19,498</b>
<b>EXPENSES</b>			
Operating expenses	20	4,861	3,270
Employee benefit expenses	21	296	248
Finance costs	22	28,586	22,870
Depreciation and amortisation	1&2	10,589	10,429
Administration and other expenses	23	185	166
<b>Total expenses</b>		<b>44,517</b>	<b>36,983</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(21,032)</b>	<b>(17,485)</b>
Exceptional items	24	-	(3,610)
<b>Profit/(loss) before tax</b>		<b>(21,032)</b>	<b>(13,875)</b>
<b>Less: Tax Expenses</b>			
- Income tax (prior years)		-	3
- Current tax		-	-
<b>Profit/(loss) for the year</b>		<b>(21,032)</b>	<b>(13,878)</b>
<b>Other comprehensive income</b>			
i) Items that will not be reclassified to profit or loss (net of tax)			
- Remeasurements of net defined liability or asset		-	(2)
<b>Total Comprehensive Income for the year</b>		<b>(21,032)</b>	<b>(13,880)</b>
Earnings per equity share (Basic and Diluted) (₹)	A (7)	(7.37)	(4.86)
Face value per equity share (₹)		10.00	10.00
Other notes forming part of accounts	A		
Significant accounting policies	B		

As per our report on even dated attached

**For GIANENDER & ASSOCIATES**

Chartered Accountants

Firm's registration no. 004661N

by the hand of

**For and on behalf of the Board,**

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

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

**G K Agrawal**

**Partner**

Membership No. 081603

**P. Padmanabhan**  
Chief Financial Officer

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

Place: New Delhi

Date: April 15, 2023

Place: Chennai

Date: April 15, 2023

S.No.	Particulars	Year Ended March 31, 2023 ₹ Lakhs	Year Ended March 31, 2022 ₹ Lakhs
<b>A</b>	<b>Cash flow from operating activities</b>		
	Net profit / (loss) before tax after exceptional item	(21,032)	(13,875)
	Adjustments for:		
	Depreciation and amortisation	10,589	10,429
	Interest expenses	28,586	22,870
	Other comprehensive income	-	(2)
	Interest income	(255)	(175)
	(Profit)/loss on sale of current investments (net)	(341)	(319)
	(Profit)/loss on sale of property, plant & equipment	(0)	-
	Exceptional Items (Expense/(Income))	-	(3,610)
	<b>Operating profit before working capital changes</b>	<b>17,547</b>	<b>15,318</b>
	Adjustments for:		
	Increase / (Decrease) in long term provisions	(3,328)	114
	Increase / (Decrease) in trade payables	544	(121)
	Increase / (Decrease) in other current liabilities	(114)	138
	Increase / (Decrease) in other current financial liabilities	(10)	(1,287)
	Increase / (Decrease) in short term provisions	3,404	390
	(Increase) / Decrease in long term loans	(2)	(1)
	(Increase) / Decrease in other non-current assets	(1)	7
	(Increase) / Decrease in Trade Receivables	272	(387)
	(Increase) / Decrease in short term loans and advances	(7)	(13)
	(Increase) / Decrease in other current assets	(254)	1,548
	<b>Net cash generated from/(used in) operating activities</b>	<b>18,053</b>	<b>15,706</b>
	Net income tax (paid)/refunds	(42)	(9)
	<b>Net Cash(used in)/generated from Operating Activities</b>	<b>18,011</b>	<b>15,697</b>
<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of Property, plant & equipment	(642)	4,645
	Sale of Property, plant & equipment	0	2
	(Purchase)/Sale of current investments (net)	2,875	(5,602)
	Increase in other bank balances	(70)	(438)
	Interest accumulated	255	175
	<b>Net cash (used in)/generated from investing activities</b>	<b>2,417</b>	<b>(1,218)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Repayment of long term borrowings	(4,582)	(2,482)
	Deferred payment liability	(8,025)	-
	Interest paid	(9,871)	(9,972)
	<b>Net cash (used in)/generated from financing activities</b>	<b>(22,478)</b>	<b>(12,454)</b>
	<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(2,051)</b>	<b>2,025</b>
	Cash and cash equivalents as at the beginning of the year	2,340	315
	<b>Cash and cash equivalents as at the end of the year</b>	<b>290</b>	<b>2,340</b>

Other notes forming part of accounts  
Significant accounting policies

A  
B

Disclosure as required by Ind AS 7

Reconciliation of liabilities arising from financing activities

₹ in Lakhs

Particulars	Opening Balance	Cash Flows	Non cash changes	Closing Balance
(a) Long Term borrowings	1,01,015	(4,582)	172	96,605
(b) Deferred payment liabilities	1,18,218	-	10,152	1,28,370
(c) Short-Term borrowings	2,800	-	-	2,800
	<b>2,22,033</b>	<b>(4,582)</b>	<b>10,324</b>	<b>2,27,775</b>

**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 which are presented as under.

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
(a) Cash in hand	15	11
(b) Balances with Banks:		
i) In Trust retention and escrow accounts	15	9
i) In current accounts	1	-
(c) Fixed deposits with original maturity of less than 3 months	259	2,320
<b>Total Cash and cash equivalents</b>	<b>290</b>	<b>2,340</b>

As per our report on even dated attached

**For GIANENDER & ASSOCIATES**

Chartered Accountants  
Firm's registration no. 004661N  
by the hand of

**For and on behalf of the Board,**

**R.G. Ramachandran**      **Pramod Sushila Kapoor**  
Director (DIN: 02671982)      Director (DIN: 02914307)

**G K Agrawal**  
**Partner**  
Membership No. 081603

**P. Padmanabhan**      **Karthikeyan T.V**  
Chief Financial Officer      Company Secretary  
Membership No. A9743

Place: New Delhi  
Date: April 15, 2023

Place: Chennai  
Date: April 15, 2023

A) Equity Share Capital

Particulars	As on March 31, 2023	As on March 31, 2022
	₹ Lakhs	₹ Lakhs
Balance at the beginning of the year	28,534	28,534
Change in equity share capital due to prior period errors	-	-
<b>Restated balance at the beginning of the reporting year</b>	<b>28,534</b>	<b>28,534</b>
Changes in equity share capital during the year	-	-
<b>Balance at the end of the year</b>	<b>28,534</b>	<b>28,534</b>

B) Other Equity

As at March 31, 2023

Particulars	Equity component of compound financial instruments	Reserves & Surplus	Total
		Retained earnings	
	₹ Lakhs	₹ Lakhs	₹ Lakhs
Balance at the beginning of the year	7,462	(75,837)	(68,375)
Changes in accounting policy or prior period issues	-	-	-
<b>Restated balance as at the beginning of the reporting year</b>	<b>7,462</b>	<b>(75,837)</b>	<b>(68,375)</b>
Profit/(loss) for the year	-	(21,032)	(21,032)
Other comprehensive income	-	-	-
<b>Balance at the end of the year</b>	<b>7,462</b>	<b>(96,869)</b>	<b>(89,407)</b>

As at March 31, 2022

Particulars	Equity component of compound financial instruments	Reserves & Surplus	Total ₹ Lakhs
		Retained earnings	
	₹ Lakhs	₹ Lakhs	₹ Lakhs
Balance at the beginning of the year	7,462	(61,957)	(54,495)
Changes in accounting policy or prior period issues	-	-	-
<b>Restated balance as at the beginning of the reporting year</b>	<b>7,462</b>	<b>(61,957)</b>	<b>(54,495)</b>
Profit/(loss) for the year	-	(13,878)	(13,878)
Other comprehensive income	-	(2)	(2)
<b>Balance at the end of the year</b>	<b>7,462</b>	<b>(75,837)</b>	<b>(68,375)</b>

As per our report attached  
**For GIANENDER & ASSOCIATES**  
Chartered Accountants  
Firm registration no. 004661N  
by the hand of

For and on behalf of the Board,

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

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

**G K Agrawal**  
Partner  
Membership No. 81603

**P. Padmanabhan**  
Chief Financial Officer

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

Place: New Delhi  
Date: April 15, 2023

Place: Chennai  
Date: April 15, 2023

## 1 Property, plant and equipment

₹ Lakhs

Particulars	Cost			Depreciation				Book Value		
	As at April 01, 2022	Additions	Disposals	As at March 31, 2023	As at April 01, 2022	For the year	On disposals	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
<b>Owned</b>										
Plant and equipment	57	-	-	57	23	5	-	28	29	34
Furnitures and fixtures	40	-	-	40	25	5	-	30	10	15
Vehicles	50	-	-	50	30	8	-	38	12	20
Office equipments	25	-	-	25	20	4	-	24	1	5
Electrical installations	101	-	-	101	38	10	-	48	53	63
Air conditioning and refrigeration	41	2	-	43	41	-	-	41	2	-
Computers, laptops and printers	18	2	1	19	15	2	1	16	3	3
<b>Total</b>	<b>332</b>	<b>4</b>	<b>1</b>	<b>335</b>	<b>192</b>	<b>34</b>	<b>1</b>	<b>225</b>	<b>110</b>	<b>140</b>
<i>Previous year</i>	<i>351</i>	<i>5</i>	<i>24</i>	<i>332</i>	<i>173</i>	<i>41</i>	<i>22</i>	<i>192</i>	<i>140</i>	

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

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

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

## 2 Intangible assets

₹ Lakhs

Particulars	Cost			Amortisation				Book Value		
	As at April 01, 2022	Additions	Disposals	As at March 31, 2023	As at April 01, 2022	For the year	On disposals	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Specialised software	45	-	-	45	44	1	-	45	-	1
Toll equipments (Refer note a below)	1,129	-	772	357	696	152	596	252	105	433
Toll collection rights (Refer note b below)	2,19,661	-	-	2,19,661	45,798	10,228	-	56,026	1,63,635	1,73,863
<b>Total</b>	<b>2,20,835</b>	<b>-</b>	<b>772</b>	<b>2,20,063</b>	<b>46,538</b>	<b>10,381</b>	<b>596</b>	<b>56,323</b>	<b>1,63,740</b>	<b>1,74,297</b>
<i>Previous year</i>	<i>2,26,383</i>	<i>20</i>	<i>5,568</i>	<i>2,20,835</i>	<i>37,056</i>	<i>10,388</i>	<i>906</i>	<i>46,538</i>	<i>1,74,297</i>	

a) During the year, the Company has installed new toll equipments through change of scope works from NHAI. Accordingly, the Company has decapitalised the existing toll equipments from "Intangible assets-Toll Equipments"

b) During the previous year 2021-22, the Company decapitalised ₹ 5,568 Lakhs/- from "Intangible assets-Toll Collection rights", out of the settlement amount from NHAI, as the same is pertaining to construction period pre-operative cost

## 2.1 Disclosure of Material Intangible Asset

2.1.1 Toll collection rights of Four-Laning of MH-KNT border to Sangareddy in the state of Karnataka and Andhra Pradesh

2.1.2 Toll collection rights includes discounted value of premium payable to NHAI over the concession period from the date of commercial operation

Particulars	Remaining Amortization Period ( Years )
As at March 31, 2023	16.00
As at March 31, 2022	17.00

2.2 There is no restriction on title of Tolling rights.

2.3 There is no contractual commitment on acquisition of Tolling rights.

## 1 Property, plant and equipment

₹ Lakhs

Particulars	Cost				Depreciation				Book Value	
	As at April 01, 2021	Additions	Deductions	As at March 31, 2022	As at April 01, 2021	For the year	Deductions	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
<b>Owned</b>										
Plant and equipment	57	3	3	57	20	5	2	23	34	37
Furnitures and fixtures	42	-	2	40	21	5	1	25	15	21
Vehicles	58	-	8	50	29	9	8	30	20	29
Office equipments	27	-	2	25	17	5	2	20	5	10
Electrical installations	101	-	-	101	28	10	-	38	63	73
Air conditioning and refrigeration	41	-	-	41	36	5	-	41	-	5
Computers, laptops and printers	25	2	9	18	22	2	9	15	3	3
<b>Total</b>	<b>351</b>	<b>5</b>	<b>24</b>	<b>332</b>	<b>173</b>	<b>41</b>	<b>22</b>	<b>192</b>	<b>140</b>	<b>178</b>

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

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

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

## 2 Intangible Assets

₹ Lakhs

Particulars	Cost				Amortisation				Book Value	
	As at April 01, 2021	Additions	Deductions	As at March 31, 2022	As at April 01, 2021	For the year	Deductions	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Specialised Software	45	-	-	45	41	3	-	44	1	4
Toll equipments	1,109	20	-	1,129	537	159	-	696	433	572
Toll collection rights	2,25,229	-	5,568	2,19,661	36,478	10,226	906	45,798	1,73,863	1,88,751
<b>Total</b>	<b>2,26,383</b>	<b>20</b>	<b>5,568</b>	<b>2,20,835</b>	<b>37,056</b>	<b>10,388</b>	<b>906</b>	<b>46,538</b>	<b>1,74,297</b>	<b>1,89,327</b>

\*During the FY 2021-22, the Company decapitalised ₹ 5,568 Lakhs from "Intangible assets-Toll Collection rights", out of the settlement amount from NHAI, as the same is pertaining to construction period pre-operative cost

## 2.1 Disclosure of Material Intangible Asset

2.1.1 Toll collection rights of Four-Laning of MH-KNT border to Sangareddy in the state of Karnataka and Andhra Pradesh

2.1.2 Toll collection rights includes discounted value of premium payable to NHAI over the concession period from the date of commercial operation

Particulars	Remaining Amortization Period ( Years )
As at March 31, 2022	17.00
As at March 31, 2021	18.00

2.2 There is no restriction on title of Tolling rights.

2.3 There is no contractual commitment on acquisition of Tolling rights.

**L&T Deccan Tollways Limited**  
**Notes forming part of financial statements for the year ended March 31, 2023**

**3 Other Financial assets**

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-current	Total	Current	Non-current	Total
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Other receivables	66	-	66	59	-	59
Security deposits						
Unsecured, considered good	-	68	68	-	66	66
	<b>66</b>	<b>68</b>	<b>134</b>	<b>59</b>	<b>66</b>	<b>125</b>

**4 Other non-current and current assets**

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-current	Total	Current	Non-current	Total
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Advances other than capital advances						
Advances to related parties	-	-	-	1	-	1
Advance to sub-contractors	301	-	301	-	-	-
Advance recoverable other than in cash						
Prepaid Insurance	85	-	85	104	-	104
GST Input Credit (Net of liability)	114	-	114	140	-	140
Gratuity plan asset (Net of provisions)	3	8	11	4	6	10
Leave encashment plan asset (Net of provisions)	-	1	1	-	2	2
	<b>503</b>	<b>9</b>	<b>512</b>	<b>249</b>	<b>8</b>	<b>257</b>

**5 Current tax assets (Net)**

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-current	Total	Current	Non-current	Total
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Income tax						
Income tax net of provisions	77	-	77	34	-	34
	<b>77</b>	<b>-</b>	<b>77</b>	<b>34</b>	<b>-</b>	<b>34</b>

**L&T Deccan Tollways Limited**  
**Notes forming part of financial statements for the year ended March 31, 2023**

**6 Investments**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
	₹ Lakhs		₹ Lakhs	
<b>Investments carried at fair value through Statement of Profit and loss</b>				
Investments in mutual funds		4,767		7,301
		<b>4,767</b>		<b>7,301</b>
Aggregate book value of quoted investments		4,681		7,195
Aggregate market value of quoted investments		4,767		7,301

Details of Liquid Mutual Fund Units as on March 31, 2023 & March 31, 2022 are given below:

Particulars	No. of Units	As at March 31, 2023	
		NAV ₹	Market Value ₹ Lakhs
IDFC Overnight Fund - Regular Growth	1,49,055	1,195.62	1,782
Nippon India Overnight Fund - Growth Plan	24,80,237	120.36	2,985
<b>Total</b>	<b>26,29,292</b>	<b>1,315.98</b>	<b>4,767</b>

Particulars	No. of Units	As at March 31, 2022	
		NAV ₹	Market Value ₹ Lakhs
IDFC Overnight Fund - Regular Growth	2,97,239	1,129.56	3,357
Nippon India Overnight Fund - Growth Plan	9,78,447	113.75	1,113
SBI Overnight Fund - Regular Growth	82,649	3,425.28	2,831
<b>Total</b>	<b>13,58,335</b>	<b>4,668.59</b>	<b>7,301</b>

**7 Trade receivables**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
	₹ Lakhs		₹ Lakhs	
Unsecured, considered good				
COS receivable from NHAI	115	-	387	-
Less: Allowance for credit losses	-	-	-	-
	<b>115</b>	<b>-</b>	<b>387</b>	<b>-</b>

Refer Note no A (22) for ageing

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

**8 Cash and Cash Equivalents**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
	₹ Lakhs		₹ Lakhs	
i) Balances with banks				
- In Trust retention and escrow accounts (Refer Note below)		15		9
- In Current accounts		1		-
ii) Cash on hand		15		11
iii) Fixed deposits with original maturity of less than 3 months		259		2,320
		<b>290</b>		<b>2,340</b>

**8(a) Other bank balances**

i) Fixed deposits with remaining maturity of more than 3 months but less than 12 months (including interest accrued thereon)	-	100
ii) Fixed deposits with remaining maturity of more than 3 months but less than 12 months including interest accrued thereon (Lien Marked) (Refer note below)	3,862	3,692
	<b>3,862</b>	<b>3,792</b>

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, 2023, 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 ₹ 3,862 Lakhs (P.Y. ₹3,692 Lakhs) for the purpose of debt service reserve account as required in the Common Loan Agreement.

9 Share Capital

(i) Authorised, issued, subscribed and paid up

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
<b>Authorised:</b>				
Equity shares of ₹ 10 each	31,00,00,000	31,000	31,00,00,000	31,000
0.01% Compulsorily Convertible Preference shares of ₹ 10 each	5,40,00,000	5,400	5,40,00,000	5,400
	<b>36,40,00,000</b>	<b>36,400</b>	<b>36,40,00,000</b>	<b>36,400</b>
<b>Issued, subscribed and fully paid up:</b>				
Equity shares of ₹ 10 each	28,53,40,000	28,534	28,53,40,000	28,534
0.01% Compulsorily Convertible Preference shares of ₹ 10 each	5,40,00,000	5,400	5,40,00,000	5,400
	<b>33,93,40,000</b>	<b>33,934</b>	<b>33,93,40,000</b>	<b>33,934</b>

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
At the beginning of the year	28,53,40,000	28,534	28,53,40,000	28,534
Issued during the year as fully paid	-	-	-	-
<b>At the end of the year</b>	<b>28,53,40,000</b>	<b>28,534</b>	<b>28,53,40,000</b>	<b>28,534</b>

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
At the beginning of the year	5,40,00,000	5,400	5,40,00,000	5,400
Issued during the year as fully paid	-	-	-	-
<b>At the end of the year</b>	<b>5,40,00,000</b>	<b>5,400</b>	<b>5,40,00,000</b>	<b>5,400</b>

(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, 2023		As at March 31, 2022	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
L&T Infrastructure Development Projects Limited (including nominee holding)	24,33,40,000	24,334	24,33,40,000	24,334
L&T Transportation Infrastructure Limited	4,20,00,000	4,200	4,20,00,000	4,200
	<b>28,53,40,000</b>	<b>28,534</b>	<b>28,53,40,000</b>	<b>28,534</b>

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
L&T Infrastructure Development Projects Limited (CCPS)	5,40,00,000	5,400	5,40,00,000	5,400
	<b>5,40,00,000</b>	<b>5,400</b>	<b>5,40,00,000</b>	<b>5,400</b>

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	%	No. of shares	%
<b>Equity Shares</b>				
L&T Infrastructure Development Projects Limited (including nominee holding)	24,33,40,000	85.28%	24,33,40,000	85.28%
L&T Transportation Infrastructure Limited	4,20,00,000	14.72%	4,20,00,000	14.72%
<b>0.01% Compulsory Convertible Preference Shares</b>				
L&T Infrastructure Development Projects Limited	5,40,00,000	5,400	5,40,00,000	5,400

viii) a) Details of Shareholding of Promoters in the Company

Details of Shareholding	As at March 31, 2023		
	No of Shares	% of Total Shares	% Change during the period
<b>Equity share capital</b>			
L&T Infrastructure Development Projects Limited (including nominee holding)	24,33,40,000	85.28%	No change
<b>Total</b>	<b>24,33,40,000</b>	<b>85.28%</b>	
<b>Preference share capital (CCPS)</b>			
L&T Infrastructure Development Projects Limited	5,40,00,000	100%	No change
<b>Total</b>	<b>5,40,00,000</b>	<b>100%</b>	

viii) b) Details of Shareholding of Promoters in the Company

Details of Shareholding	As at March 31, 2022		
	No of Shares	% of Total Shares	% Change during the period
<b>Equity share capital</b>			
L&T Infrastructure Development Projects Limited (including nominee holding)	24,33,40,000	85.28%	No change
<b>Total</b>	<b>24,33,40,000</b>	<b>85.28%</b>	
<b>Preference share capital (CCPS)</b>			
L&T Infrastructure Development Projects Limited	5,40,00,000	100%	No change
<b>Total</b>	<b>5,40,00,000</b>	<b>100.00%</b>	

(ix) 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

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

Disclosure on "Change in Control" of Holding Company

The Holding Company, L&T IDPL is a joint venture between Larsen and Toubro Limited (Ultimate Holding Company) and Canada Pension Plan investment board holding 51% and 49% shares respectively. Larsen and Toubro Limited has entered into a share purchase agreement with EPIC Concesiones Private Limited to transfer its entire shareholding in L&T IDPL along with its subsidiaries on December 16, 2022. On completion of the sale under the Agreement, L&T IDPL along with its subsidiaries shall cease to be subsidiary company of Larsen & Toubro Limited.



**L&T Deccan Tollways Limited**

Notes forming part of financial statements for the year ended March 31, 2023

**10 Other Equity**

As at March 31, 2023

Particulars	Equity component of	Reserves & Surplus	Total
	compound financial	Retained earnings	
	instruments		
	₹ Lakhs	₹ Lakhs	₹ Lakhs
Balance at the beginning of the year	7,462	(75,837)	(68,375)
Profit/(loss) for the year	-	(21,032)	(21,032)
Other comprehensive income	-	-	-
<b>Balance at the end of the year</b>	<b>7,462</b>	<b>(96,869)</b>	<b>(89,407)</b>

As at March 31, 2022

Particulars	Equity component of	Reserves & Surplus	Total
	compound financial	Retained earnings	
	instruments		
	₹ Lakhs	₹ Lakhs	₹ Lakhs
Balance at the beginning of the year	7,462	(61,957)	(54,495)
Profit/(loss) for the year	-	(13,878)	(13,878)
Other comprehensive income	-	(2)	(2)
<b>Balance at the end of the year</b>	<b>7,462</b>	<b>(75,837)</b>	<b>(68,375)</b>

**11 Borrowings**

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current ₹ Lakhs	Non current ₹ Lakhs	Total ₹ Lakhs	Current ₹ Lakhs	Non current ₹ Lakhs	Total ₹ Lakhs
<b>Secured borrowings</b>						
a) Term loans						
i) From banks	-	62,525	62,525	-	61,744	61,744
ii) From Financial Institution	-	32,213	32,213	-	33,544	33,544
b) Current maturities of long term borrowings						
i) From banks	180	-	180	3,247	-	3,247
ii) From Financial Institution	392	-	392	1,314	-	1,314
<b>Unsecured borrowings</b>						
a) Loan from related party (Refer note (i) below)	2,800	1,295	4,095	2,800	1,165	3,965
b) Deferred payment liabilities*	6,199	1,22,171	1,28,370	-	1,18,218	1,18,218
	<b>9,571</b>	<b>2,18,205</b>	<b>2,27,775</b>	<b>7,361</b>	<b>2,14,671</b>	<b>2,22,032</b>

\* Deferred Payment liability represents total concession fees of ₹ 3,04,080 Lakhs payable to NHAI as per clause 26.2 of the concession agreement. The Present value of deferred payment liability including interest is ₹ 1,28,370 Lakhs

**Notes:**

i) During the FY 2019-20, the Company had obtained in principle approval from its existing senior lenders for novation of loan amounting to ₹ 3,000 Lakhs borrowed from L&T Transportation Infrastructure Limited. Further, on April 07, 2022, the Company has executed the novation agreement and other supplementary agreements for including L&T Transportation Infrastructure Limited as a lender and Co-Promoter. The repayment of ₹ 3,000 Lakhs shall be subservient to the existing senior debt and shall commence after full repayment of existing senior debt obligations. The balance unsecured borrowings of ₹ 2,800 Lakhs is shown as current borrowings as the same is repayable on demand and carries no interest.

**a) Details of Borrowings**

**Secured Borrowings**

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

**Unsecured Borrowings**

Particulars	Effective interest rate	Terms of repayment
Loan from related party	10.55%	The repayment of ₹ 3,000 Lakhs shall be subservient to the existing senior debt and shall commence after full repayment of existing senior debt obligations
Deferred payment liabilities	11.19%	Deferred Payment Liabilities represent the outstanding Negative Grant payable to National Highway Authority of India (NHAI) as per Concession Agreement. On March 26, 2021, the Company has entered into Supplementary agreement -II to Concession agreement with the NHAI towards deferment of premium

**b) Nature of security for Term Loans**

- 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.
- First charge on Project book debts, operating cash flows, receivables, commissions, insurance proceeds, revenues of whatsoever nature and wherever arising, present and future.
- Assignment of all the rights, title, interest, benefits, claims and demands, whatsoever of the Company.
- Eserow account to the extent of waterfall of priorities of payment as permitted to the lenders under Eserow Agreement.
- Debt Service Coverage Ratio support amount.
- 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 Long Term Loans in the Balance Sheet is as follows:**

Particulars	As at March 31, 2023	As at March 31, 2022
	₹ Lakhs	₹ Lakhs
Long term borrowings	96,033	96,453
Current maturities of long term borrowings	572	4,561
Deferred payment liabilities	1,22,171	1,18,218

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

e) As at March 31, 2023, the Company has ₹ 3,069 Lakhs ( Previous year end March 31, 2022 ₹ 3,069 Lakhs) of undrawn committed borrowing facilities.

**12 Trade payables**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current ₹ Lakhs	Non Current ₹ Lakhs	Current ₹ Lakhs	Non Current ₹ Lakhs
Dues to related parties	43	-	42	-
Dues to others:				
- Total Outstanding dues to micro, small and medium enterprises	158	-	49	-
- Total Outstanding dues of creditors other than micro, small and medium enterprises	980	-	545	-
	<b>1,180</b>	<b>-</b>	<b>636</b>	<b>-</b>

Refer Note no A (23) for ageing

**\*Disclosure for Micro and Small Enterprise**

The amount due to Micro & Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company.

The disclosure relating to Micro, Small and Medium Enterprises as at March 31, 2023 are as under :

Particulars	₹ Lakhs	
	As at March 31, 2023	As at March 31, 2022
a) Principal amount remaining unpaid	158	49
b) Interest due on above and the unpaid interest	Nil	Nil
c) Interest paid	Nil	Nil
d) Payment made beyond the appointed day during the year	Nil	Nil
e) Interest due and payable for the period of delay	Nil	Nil
f) Interest accrued and remaining unpaid	Nil	Nil
g) Amount of further interest remaining due and payable in succeeding years	Nil	Nil

**L&T Deccan Tollways Limited**  
Notes forming part of financial statements for the year ended March 31, 2023

**13 Other financial liabilities**

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current ₹ Lakhs	Non current ₹ Lakhs	Total ₹ Lakhs	Current ₹ Lakhs	Non current ₹ Lakhs	Total ₹ Lakhs
a) Other liabilities:						
- Creditors for capital supplies	1,172	-	1,172	1,810	-	1,810
b) Security deposits	-	14	14	-	14	14
c) Payable to NHAI (Refer Note below)	24	-	24	34	-	34
	<b>1,196</b>	<b>14</b>	<b>1,210</b>	<b>1,844</b>	<b>14</b>	<b>1,858</b>

**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.

**14 Other non-current and current liabilities**

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current ₹ Lakhs	Non current ₹ Lakhs	Total ₹ Lakhs	Current ₹ Lakhs	Non current ₹ Lakhs	Total ₹ Lakhs
i) Liability for expenses	307	-	307	314	-	314
ii) Advance received from NHAI	127	-	127	139	-	139
iii) Statutory liabilities	53	-	53	140	-	140
iv) Other liabilities	17	-	17	26	-	26
iv) Payable to employees	-	-	-	-	-	-
	<b>504</b>	<b>-</b>	<b>504</b>	<b>619</b>	<b>-</b>	<b>619</b>

**15 Provisions**

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current ₹ Lakhs	Non current ₹ Lakhs	Total ₹ Lakhs	Current ₹ Lakhs	Non current ₹ Lakhs	Total ₹ Lakhs
Provision for employee benefits:						
- Retention pay	-	-	-	3	-	3
Provisions for major maintenance reserve	3,797	13	3,810	390	2,976	3,366
	<b>3,797</b>	<b>13</b>	<b>3,810</b>	<b>393</b>	<b>2,976</b>	<b>3,369</b>

**16 Contingent Liabilities**

Contingent liabilities in the form of guarantees of ₹ Nil/- as at March 31, 2023 (previous year: ₹ Nil/-)

Claims against the Company not acknowledged as debt:

Particulars	A.Y.	As at March 31, 2023 (₹ Lakhs)	As at March 31, 2022 (₹ Lakhs)
Income tax demand	2016-17	19	19

**17 Commitments**

(i) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for as at March 31, 2023 is ₹ 2 Lakhs (Previous year: ₹ 1 Lakh)

(ii) Other Commitments as at March 31, 2023 is ₹ Nil (Previous Year ₹ Nil).

**L&T Deccan Tollways Limited**  
**Notes forming part of financial statements for the year ended March 31, 2023**

**18 Revenue from operations**

Particulars	FY 2022-23		FY 2021-22	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
<b>Operating revenue:</b>				
Toll Collections	22,435		17,725	
		22,435		17,725
Construction contract revenue		408		343
<b>Total</b>		<b>22,843</b>		<b>18,068</b>

**19 Other income**

Particulars	FY 2022-23		FY 2021-22	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
<b>Interest income from:</b>				
- Bank deposits	253		162	
- Income Tax refund	2		13	
		255		175
License fee from wayside amenities & others		35		23
Profit on sale of current investments		254		213
Net Gain/(Loss) on financial instruments designated at FVTPL		87		106
Unclaimed credit balances		4		2
Profit on Disposal of Scrap		7		5
Reversal of amortisation with respect to decapitalisation in TCR		-		906
<b>Total</b>		<b>642</b>		<b>1,430</b>

**20 Operating expenses**

Particulars	FY 2022-23		FY 2021-22	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Construction contract expense		666		343
Toll management fees		947		655
Security services		192		174
Insurance		191		182
Concession fee		-		-
<b>Repairs and maintenance:</b>				
- Toll road & bridges	506		551	
- Plant and machinery	86		76	
- Periodic major maintenance	1,355		715	
- Others	244		262	
		2,192		1,604
Professional fees		54		56
Power and fuel		619		256
<b>Total</b>		<b>4,861</b>		<b>3,270</b>

**21 Employee benefit expenses**

Particulars	FY 2022-23		FY 2021-22	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Salaries, wages and bonus		195		190
<b>Contributions to and provisions for:</b>				
- Provident fund	10		10	
- Gratuity	3		2	
- Leave Encashment	5		9	
		18		21
Director Sitting Fees		10		9
Staff welfare expenses		73		28
<b>Total</b>		<b>296</b>		<b>248</b>

**22 Finance cost**

Particulars	FY 2022-23		FY 2021-22	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
<b>Interest on:</b>				
- Term Loans		9,690		9,969
Modification Loss on Financial Liability		4,437		-
Unwinding of discount and implicit interest expense on fair value		14,459		12,901
<b>Total</b>		<b>28,586</b>		<b>22,870</b>

**L&T Deccan Tollways Limited**

Notes forming part of financial statements for the year ended March 31, 2023

**23 Administration and other expenses**

Particulars	FY 2022-23		FY 2021-22	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Rent, rates and taxes		7		6
Payments to Auditor (Refer note (a) below)		17		10
Professional fees		70		63
Postage and communication		12		12
Printing and stationery		4		2
Travelling and conveyance		51		51
Insurance		0		-
Repairs and maintenance - others		4		5
Bank Charges		9		5
Miscellaneous expenses		11		12
<b>Total</b>		<b>185</b>		<b>166</b>

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

Particulars	FY 2022-23	FY 2021-22
	₹ Lakhs	₹ Lakhs
a) As statutory auditor	4	3
b) For taxation matters	2	1
c) For certification	6	3
d) For other services (Limited review)	4	3
<b>Total</b>	<b>17</b>	<b>10</b>

**24 Exceptional items**

Particulars	FY 2022-23		FY 2021-22	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Reversal of periodic maintenance provision (Refer note A10 (b))		-		(3,610)
<b>Total</b>		<b>-</b>		<b>(3,610)</b>

**L&T Deccan Tollways Limited**

**A Notes forming part of financial statements for the year ended March 31, 2023**

**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 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 year 2019-20, 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 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 ₹ 10.41 Lakhs (previous year : ₹ 9.98 Lakhs) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expenses (Note 21) in the Statement of Profit and loss.

**(ii) Defined benefit plans - Gratuity Plan**

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

Plan Features

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 Lakhs 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

**The Company is responsible for governance of the plan.**

**Risk to the Plan**

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

**A Actuarial Risk:**

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

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

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

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

**B Investment Risk:**

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

**C Liquidity Risk:**

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

**D Market Risk:**

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

**E Legislative Risk:**

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

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

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	₹ Lakhs	₹ Lakhs
A) Present value of defined benefit obligation		
- Wholly funded	21	22
Less : Fair value of plan assets	32	32
<b>Amount to be recognised as liability or (asset)</b>	<b>(11)</b>	<b>(10)</b>
B) Amounts reflected in the Balance Sheet		
Liabilities	(11)	(10)
Assets	-	-
<b>Net Liability / (asset)</b>	<b>(11)</b>	<b>(10)</b>

**L&T Deccan Tollways Limited**

**A Notes forming part of financial statements for the year ended March 31, 2023**

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, 2023	March 31, 2022
	₹ Lakhs	₹ Lakhs
1 Current service cost	4	3
2 Interest on Defined benefit obligation	(1)	(1)
	<b>3</b>	<b>2</b>

d) Remeasurement recognized in other comprehensive income

Particulars	Gratuity plan	
	As at	As at
	March 31, 2023	March 31, 2022
	₹ Lakhs	₹ Lakhs
<b>Components of actuarial gain/losses on obligations:</b>		
Due to change in financial assumptions	(1)	(1)
Due to change in demographic assumption	-	-
Due to experience adjustments	-	2
Return on plan assets excluding amounts included in interest income	1	1
	<b>-</b>	<b>2</b>

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, 2023	March 31, 2022
	₹ Lakhs	₹ Lakhs
Opening defined benefit obligation	22	19
Current service cost	4	3
Interest cost	2	1
<b>Actuarial losses/(gains):</b>		
Due to change in financial assumptions	(1)	(1)
Due to change in demographic assumption	-	-
Due to experience adjustments	-	2
Benefits paid	(6)	(3)
<b>Closing balance of the present value of defined benefit obligation</b>	<b>21</b>	<b>22</b>

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, 2023	March 31, 2022
	₹ Lakhs	₹ Lakhs
Opening balance of fair value of plan assets	31	32
Interest Income	2	2
Return on plan assets excluding amounts included interest income	(1)	(1)
Contribution by employer	5	1
Benefits paid	(6)	(3)
<b>Closing balance of fair value of plan assets</b>	<b>31</b>	<b>31</b>

The actual return on the assets is ₹ 1,60,080/-

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

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	100%	100%
Insurer managed funds	100%	100%
	100%	100%

h) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at	As at
	March 31, 2023	March 31, 2022
1) Discount rate	7.40%	6.90%
2) Salary growth rate	6.00%	6.00%
3) Withdrawal rates	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, 2023

Particulars	As at		As at	
	March 31, 2023		March 31, 2022	
	Change	Obligation ₹ Lakhs	Change	Obligation ₹ Lakhs
i) Discount rate sensitivity	+0.5%	20	+0.5%	21
	-0.5%	22	-0.5%	23
ii) Salary growth rate sensitivity	+0.5%	22	+0.5%	23
	-0.5%	20	-0.5%	21
iii) Withdrawal rate sensitivity	W.R*110%	21	W.R*110%	22
	W.R*90%	21	W.R*90%	22

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

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

**L&T Deccan Tollways Limited****A Notes forming part of financial statements for the year ended March 31, 2023****4 Disclosure of segment information pursuant to Ind AS 108 "Operating Segments"**

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

**5 Disclosure of related parties / related party transactions pursuant to Ind AS 24 "Related Party Disclosures"****a) List of related parties**

Ultimate Holding Company:	Larsen & Toubro Limited
Holding Company:	L&T Infrastructure Development Projects Limited
Associate Company:	L&T Transportation Infrastructure Limited
Fellow Subsidiaries: *	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. Rambabu Yerra - Chief Financial Officer (upto June 20, 2022) Mr. P. Padmanabhan - Chief Financial Officer (effect from July 11, 2022) Mr. Karthikeyan T V - Company Secretary Mr. Rajesh Vichare - Manager

\*With whom the Company had transactions during the year

**b) Disclosure of related party transactions:**

Particulars	2022-23	2021-22
	₹ Lakhs	₹ Lakhs
<b>1. Purchase of goods and services incl. taxes</b>		
<b>Ultimate Holding Company</b>		
Larsen & Toubro Limited	40	37
<b>Holding Company</b>		
L&T Infrastructure Development Projects Limited	529	418
<b>2. Settlement including Material Adverse Effect claims</b>		
<b>Ultimate Holding Company</b>		
Larsen & Toubro Limited	-	5,006
<b>3. Purchase of property, plant and equipment</b>		
<b>Fellow Subsidiaries</b>		
L&T Sambalpur Rourkela Tollway Limited	1	-
<b>4. Reimbursement of expenses charged from</b>		
<b>Ultimate Holding Company</b>		
Larsen & Toubro Limited	11	12



## A Notes forming part of financial statements for the year ended March 31, 2023

Particulars	2022-23	2021-22
	₹ Lakhs	₹ Lakhs
<b>6. Payment of Salary / Perquisites</b>		
<b>Key Management Personnel</b>		
Mr. Rajesh Vichare - Manager	34	26
Mr. Koshy Varghese - Independent Director (Sitting Fees)	4	3
Ms. Samyuktha Surendran - Independent Director (Sitting Fees)	2	2
Mr. Veeraragavan Amirthalingam - Independent Director (Sitting Fees)	4	3

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

₹ Lakhs

Particulars	Amounts due (to)/from	
	As at March 31, 2023	As at March 31, 2022
<b>Ultimate Holding Company</b>		
Larsen & Toubro Limited	-	1
<b>Holding Company</b>		
L&T Infrastructure Development Projects Limited	(43)	(42)
<b>Associate Company</b>		
L&T Transportation infrastructure Limited	(5,800)	(5,800)

## 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, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2022 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) Since there are no receivables due from related parties, no provision for bad and doubtful debts has been made and no expense has been recognized in relation to the said bad and doubtful debts.

## f) Compensation of Key Management personnel

(₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Short term employee benefits	34	26
Director sitting Fees (Independent Directors)	10	9

## 6 Disclosure pursuant to Ind AS 12 "Income taxes"

The company is not required to pay current income tax due to tax loss as determined in accordance with the Income Tax Act, 1961.

**L&T Deccan Tollways Limited****A Notes forming part of financial statements for the year ended March 31, 2023****7 Disclosure pursuant to Ind AS 33 "Earnings per share"**

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

Particulars		2022-23 ₹ Lakhs	2021-22 ₹ Lakhs
<b>Basic EPS</b>			
Profit after tax as per accounts (₹ Lakhs)	A	(21,032)	(13,878)
Weighted average number of Equity shares outstanding (nos. in Lakhs)	B	2,853	2,853
<b>Basic earnings per equity share (₹)</b>	<b>A / B</b>	<b>(7.37)</b>	<b>(4.86)</b>
Face value per equity share (₹)		10.00	10.00
<b>Diluted EPS</b>			
Profit after tax as per accounts (₹ Lakhs)	A	(21,032)	(13,878)
Weighted average number of Equity shares outstanding (nos. in Lakhs)	B	2,853	2,853
<b>Diluted earnings per equity share (₹ Lakhs)</b>		<b>(7.37)</b>	<b>(4.86)</b>
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."

**8 Disclosure pursuant to Ind AS 36 "Impairment of Assets"**

Based on a review of the future discounted cash flows of the project facility, the recoverable amount is higher than the carrying amount and hence no provision for impairment is made for the year.

**9 Foreign Currency transaction**

During the year, the company has paid ₹ 14 Lakhs (Previous year ₹ 14 Lakhs) in foreign currency towards payment against annual maintenance contract for toll equipments.

**10 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 16 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.

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. Major maintenance is expected to be occurred till FY 2025-26 for which provision is made in the books accordingly.

**ii) Movement in Major Maintenance Provision**

Particulars	As at March 31, 2023 ₹ Lakhs	As at March 31, 2022 ₹ Lakhs
Balance at the beginning of the year	3,366	6,188
Additional provision during the year	1,355	715
Unwinding of discount and changes in discount	365	280
Utilised during the year	(1,276)	(207)
Other adjustments (Exceptional items)	-	(3,610)
<b>Balance at the closing of the year</b>	<b>3,810</b>	<b>3,366</b>

**L&T Deccan Tollways Limited****A Notes forming part of financial statements for the year ended March 31, 2023****11 Disclosure as per Ind AS 1 - "Presentation of Financial Statements"**

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

Equity share capital current year ₹ 28,534 Lakhs (Previous year ₹ 28,534 Lakhs)

Other equity current year ₹ (89,406 Lakhs) (Previous year ₹ (68,375 Lakhs))

**12 Going Concern**

The Company operates in the infrastructure business sector which involves huge capital investments. The Company's network has fully eroded primarily due to high depreciation, high interest on term loan and interest on deferred premium liability. 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. Accordingly, the financial statements have been prepared on going concern basis.

**13 Disclosure pursuant to Ind AS 38 - "Intangible Assets"**

<b>Intangible asset</b>	<b>Useful Life</b>	<b>Amortisation method used</b>	<b>Internally generated or Acquired</b>
Toll Equipments	07 Years	Straight Line Method	Acquired
Toll collection rights	21 Years and 6 months	Straight Line Method	Constructed

**14 Capital Management**

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

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

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

Summary of Quantitative Data is given hereunder:

<b>Particulars</b>	<b>As at March 31, 2023 ₹ Lakhs</b>	<b>As at March 31, 2022 ₹ Lakhs</b>
Equity	28,534	28,534
Other Equity	(89,407)	(68,375)
<b>Total</b>	<b>(60,873)</b>	<b>(39,841)</b>

## 15 Financial Instruments

## Disclosure of Financial Instruments by Category

Financial instruments by categories	Note No.	As at March 31, 2023 (₹ Lakhs)			As at March 31, 2022 (₹ Lakhs)		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
<b>Financial Assets</b>							
Investment in Liquid Mutual Fund	6	4,767	-	-	7,301	-	-
Trade receivables	7	-	-	115	-	-	387
Cash and cash equivalents	8	-	-	290	-	-	2,340
Other Bank Balances	8(a)	-	-	3,862	-	-	3,792
Other Current Financial Asset	3	-	-	66	-	-	59
Other Non-Current Financial Asset	3	-	-	68	-	-	66
<b>Total Financial Assets</b>		<b>4,767</b>	<b>-</b>	<b>4,401</b>	<b>7,301</b>	<b>-</b>	<b>6,644</b>
<b>Financial Liabilities</b>							
Term Loan from Banks	11	-	-	62,706	-	-	64,991
Term Loan from Others	11	-	-	32,605	-	-	34,858
Deferred payment liabilities (including Interest accrued)	11	-	-	1,28,370	-	-	1,18,218
Loan from Related Party	11	-	-	4,095	-	-	3,965
Other Current Financial Liabilities	13	-	-	1,196	-	-	1,844
Other Non-Current Financial Liabilities	13	-	-	14	-	-	14
Trade Payables	12	-	-	1,180	-	-	636
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>2,30,166</b>	<b>-</b>	<b>-</b>	<b>2,24,526</b>

## Default and breaches

There are no defaults with respect to payment of principal and interest and no breaches of the terms and conditions of the loan.

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

## 16 Fair value of Financial assets and liabilities at amortized cost

Particular	Note No.	As at March 31, 2023 (₹ Lakhs)		As at March 31, 2022 (₹ Lakhs)	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Assets</b>					
Trade receivables	7	115	115	387	387
Cash and cash equivalents	8	290	290	2,340	2,340
Other Bank Balances	8(a)	3,862	3,862	3,792	3,792
Other Current Financial Asset	3	66	66	59	59
Other Non-Current Financial Asset	3	68	68	66	66
<b>Total Financial Assets</b>		<b>4,401</b>	<b>4,401</b>	<b>6,644</b>	<b>6,644</b>
<b>Financial liabilities</b>					
Term Loan from Banks	11	62,706	62,706	64,991	64,991
Term Loan from Others	11	32,605	32,605	34,858	34,858
Deferred payment liabilities( including Interest accrued)	11	1,28,370	1,28,370	1,18,218	1,18,218
Loan from Related Party	11	4,095	4,095	3,965	3,965
Other Current Financial Liabilities	13	1,196	1,196	1,844	1,844
Other Non Current Financial Liabilities	13	14	14	14	14
Trade Payables	12	1,180	1,180	636	636
<b>Total Financial Liabilities</b>		<b>2,30,166</b>	<b>2,30,166</b>	<b>2,24,526</b>	<b>2,24,526</b>

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.

The carrying value of premium payable to NHAI (Including Interest) reasonably approximates its fair value, hence their carrying value is considered to be same as their fair value.

Refer Note A(18) for information on Financial Asset pledged as security

## 17 Fair Value Measurement

## Fair Value Measurement of Financial asset and Financial liabilities

## Fair value hierarchy as at March 31, 2023

(₹ Lakhs)

Financial Assets & Liabilities Measured at Amortized cost for which fair values are to be disclosed	Note No.	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Other Current Financial Asset	3	-	-	66	66
Other Non-Current Financial Asset	3	-	-	68	68
Cash and cash equivalents	8	-	-	290	290
Other Bank Balances	8(a)	-	-	3,862	3,862
<b>Total of Financial Assets</b>		-	-	<b>4,286</b>	<b>4,286</b>
<b>Financial Liabilities</b>					
Term Loan from Banks	11	-	-	62,706	62,706
Term Loan from Others	11	-	-	32,605	32,605
Deferred payment liabilities (including Interest accrued)	11	-	-	1,28,370	1,28,370
Loan from Related Party	11	-	-	4,095	4,095
Other Current Financial Liabilities	13	-	-	1,196	1,196
Other Non Current Financial Liabilities	13	-	-	14	14
Trade Payables	12	-	-	1,180	1,180
<b>Total Financial liabilities</b>		-	-	<b>2,30,166</b>	<b>2,30,166</b>

## Fair value hierarchy as at March 31, 2022

(₹ Lakhs)

Financial Assets & Liabilities Measured at Amortized cost for which fair values are to be disclosed	Note No.	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Other Current Financial Asset	3	-	-	59	59
Other Non-Current Financial Asset	3	-	-	66	66
Cash and cash equivalents	8	-	-	2,340	2,340
Other Bank Balances	8(a)	-	-	3,792	3,792
<b>Total Financial Assets</b>		-	-	<b>6,257</b>	<b>6,257</b>
<b>Financial Liabilities</b>					
Term Loan from Banks	11	-	-	64,991	64,991
Term Loan from Others	11	-	-	34,858	34,858
Deferred payment liabilities (including Interest accrued)	11	-	-	1,18,218	1,18,218
Loan from Related Party	11	-	-	3,965	3,965
Other Current Financial Liabilities	13	-	-	1,844	1,844
Other Non Current Financial Liabilities	13	-	-	14	14
Trade Payables	12	-	-	636	636
<b>Total Financial Liabilities</b>		-	-	<b>2,24,526</b>	<b>2,24,526</b>

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

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

## Valuation technique and inputs used to determine fair value

Financial assets and liabilities	Valuation method	Inputs
<b>Financial assets</b>		
Investment in Liquid Mutual Fund Units	Market Approach	NAV
Security deposits	Income	Cash flow
<b>Financial liabilities</b>		
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

## 18 Assets pledged as security

Particulars	Note No.	As at March 31, 2023 (₹ Lakhs)	As at March 31, 2022 (₹ Lakhs)
<b>Non Financial Assets</b>			
Property, Plant & Equipment	1	110	140
Other Non-Current Financial Asset	3	68	66
<b>Financial Assets</b>			
Trade receivables	7	115	387
Cash and Cash Equivalents	8	290	2,340
Investment in Liquid Mutual Fund Units	6	4,767	7,301
Other Current Financial Asset	3	66	59
Other Bank Balances	8(a)	3,862	3,792
<b>Total</b>		<b>9,278</b>	<b>14,085</b>

**A Notes forming part of financial statements for the year ended March 31, 2023**

**19 Financial Risk Management**

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

**A) Market risk**

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

**i Foreign Currency Risk**

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

The Company is not exposed to foreign currency risk as it has no borrowings in foreign currency.

**ii Interest rate risk**

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

The Interest risk arises to the Company mainly from Long term borrowings with variable rates. The Company measures risk through sensitivity analysis. Currently, Lending by Commercial Banks & 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, 2023 (₹ Lakhs)	As at March 31, 2022 (₹ Lakhs)
Senior Debt from Banks - Variable rate borrowings	11	95,311	99,849

**Sensitivity analysis based on average outstanding Senior Debt**

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	F.Y. 2022-23 (₹ Lakhs)	F.Y. 2021-22 (₹ Lakhs)
Increase or decrease in interest rate by 25 basis points	244	253

*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, 2023 (₹ Lakhs)	As at March 31, 2022 (₹ Lakhs)
Investment in Liquid Mutual Fund units	6	4,767	7,301

**Sensitivity Analysis**

	Impact on profit/ loss after tax	
	Year Ended March 31, 2023 (₹ Lakhs)	Year Ended March 31, 2022 (₹ Lakhs)
Increase or decrease in NAV by 1%	48	73

*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.

**L&T Deccan Tollways Limited****A Notes forming part of financial statements for the year ended March 31, 2023**

The following are the contractual maturities of financial liabilities

	(₹ Lakhs)				
As at March 31, 2023	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
<b>Non Derivative Financial Liabilities</b>					
Senior Debt from Banks and Financial Institution	95,311	572	8,655	44,407	41,677
Negative Grant	1,22,171	6,199	51	2,313	1,13,608
Loan from Related Party	4,095	2,800	-	-	1,295
Other Current Financial Liabilities	1,196	1,196	-	-	-
Other Non-Current Financial Liabilities	14	-	-	-	14
Trade Payables	1,180	1,180	-	-	-
<b>Derivative Financial Liabilities</b>	Nil	Nil	Nil	Nil	Nil

	(₹ Lakhs)				
As at March 31, 2022	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
<b>Non Derivative Financial Liabilities</b>					
Senior Debt from Banks and Financial Institution	99,849	4,561	572	34,697	60,019
Negative Grant	1,18,218	-	6,199	2,364	1,09,655
Loan from Related Party	3,965	2,800	-	-	1,165
Other Current Financial Liabilities	1,844	1,844	-	-	-
Other Non Current Financial Liabilities	14	-	-	-	14
Trade Payables	636	636	-	-	-
<b>Derivative Financial Liabilities</b>	Nil	Nil	Nil	Nil	Nil

**C) Credit risk**

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

The Company generally does not have trade receivables as 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

A Notes forming part of financial statements for the year ended March 31, 2023

20 Ratios

Sr No	Ratios	Formula	Explanations	2022-23	2021-2022	% Change in ratio	Explanation provided for any change in ratio by more than 25% in current year as compared to previous year
1	Current Ratio	Current Assets / Current Liability		0.6 times	1.3 times	-53.85%	Decrease in cash and bank balances due to payment of premium to NHAI and MMR
2	Debt – Equity Ratio*	Total Debt / Total Equity		-1.57 times	-2.51 times	-37.45%	During the year, debt of Rs. 45.82 crore is repaid
3	Debt Service Coverage Ratio	Earning for Debt Service / (Interest repayment + Principal repayment)	Earning for Debt Service=Net Profit after Taxes+Depreciation & amortisation+Finance cost+/- other Adjustments	1.26 times	1.27 times	-0.79%	
4	Return on Equity Ratio	Profit After Tax / Average Total Equity	Average Total Equity = (Opening Total Equity + Closing Total Equity) / 2	0.42 %	0.42 %	0.00%	
5	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Average Inventory = (Opening Inventory + Closing inventory) / 2	-	-	Not applicable	No inventory
6	Trade Receivables Turnover Ratio	Net Credit Sales/ Average Accounts Receivable	Average Accounts Receivable = (Opening Receivable + Closing Receivable) / 2	1.63 times	0.84 times	92.59%	During the year, COS amount receivable is settled by NHAI
7	Trade Payables Turnover Ratio	Net Credit expenses / Average Accounts Payable	Average Accounts Payable = (Opening Payable + Closing Payable) / 2	4.06 times	3.91 times	3.84%	
8	Net Capital Turnover Ratio	Revenue from Operations / working Capital	Working capital = Current Assets- Current Liabilities	-0.25 %	1.19 %	-121.01%	Decrease in cash and bank balances due to payment of premium to NHAI and MMR
9	Net Profit Ratio	Profit After Tax / Revenue from Operations		-5156.00%	-4046.00%	27.43%	Due to increase in Loss for current year
10	Return on Capital Employed #	EBIT / Capital Employed	Capital Employed = Total Equity + Total Debts Debt= Non Convertible Debentures + Current maturities of Non Convertible Debentures	16.00%	7.90%	102.49%	During the current year, toll collection is increased by 26.5%
11	Return on Investment	Yield/Average Investment	Average Investment = (Opening Investment + Investment) / 2	4.66%	5.80%	-19.65%	

\*Note: If the Company include all borrowings (Negative grant and loan from related parties while calculating debt, then Debt-Equity Ratio for FY 2022-23 will be -3.74 times (FY 2021-22:-5.57 times )

#Note: If we include all borrowings (Negative grant and loan from related parties while calculating debt, then Return on Capital Employed for FY 2022-23 will be 3.36% (FY 2021-22: 2.50% )

## **L&T Deccan Tollways Limited**

### **A Notes forming part of financial statements for the year ended March 31, 2023**

#### **21 Disclosure pursuant to Appendix - D to Ind AS 115 - " Service Concession Arrangements"**

##### **21.1 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 year 2019-20, 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

##### **21.2 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 Limiyed**

**A Notes forming part of financial statements for the year ended March 31, 2023**

**22 a) Ageing of Trade Receivables as at March 31, 2023**

₹ Lakhs

Sr No	Particulars	Unbilled Dues	Not Yet Due	Outstanding for following period from due date of payment*					Total
				Less than 6 Months	6 Months – 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Years	
1	Undisputed Trade Receivables – Considered Goods	-	-	115	-	-	-	-	115
2	Undisputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-	-
3	Undisputed Trade Receivables – Credit Impaired	-	-	-	-	-	-	-	-
4	Disputed Trade Receivables – Considered Goods	-	-	-	-	-	-	-	-
5	Disputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-	-
6	Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-	-	-
	<b>Total</b>	-	-	<b>115</b>	-	-	-	-	<b>115</b>

\*Date of transaction is considered as due date in cases where no due date of payment is specified

**b) Ageing of Trade Receivables as at March 31, 2022**

₹ Lakhs

Sr No	Particulars	Unbilled Dues	Not Yet Due	Outstanding for following period from due date of payment*					Total
				Less than 6 Months	6 Months – 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Years	
1	Undisputed Trade Receivables – Considered Goods	-	-	387	-	-	-	-	387
2	Undisputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-	-
3	Undisputed Trade Receivables – Credit Impaired	-	-	-	-	-	-	-	-
4	Disputed Trade Receivables – Considered Goods	-	-	-	-	-	-	-	-
5	Disputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-	-
6	Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-	-	-
	<b>Total</b>	-	-	<b>387</b>	-	-	-	-	<b>387</b>

\*Date of transaction is considered as due date in cases where no due date of payment is specified

**23 a) Ageing of Trade Payables as at March 31, 2023**

₹ Lakhs

Sr No	Particulars	Unbilled Dues	Not Yet Due	Outstanding for following period from due date of payment*				Total
				Less than 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Years	
1	(i) MSME	-	158	-	-	-	-	158
2	(ii) Others	-	909	42	28	-	-	979
3	(iii) Related parties	-	43	-	-	-	-	43
4	(iv) Disputed Dues - MSME	-	-	-	-	-	-	-
5	(v) Disputed Dues - Others	-	-	-	-	-	-	-
6	Disputed Dues - Related parties	-	-	-	-	-	-	-
	<b>Total</b>	-	<b>1,110</b>	<b>42</b>	<b>28</b>	-	-	<b>1,180</b>

\*Date of transaction is considered as due date in cases where no due date of payment is specified

**b) Ageing of Trade Payables as at March 31, 2022**

₹ Lakhs

Sr No	Particulars	Unbilled Dues	Not Yet Due	Outstanding for following period from due date of payment*				Total
				Less than 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Years	
1	(i) MSME	-	49	-	-	-	-	49
2	(ii) Others	-	471	73	1	0	-	545
3	(iii) Related parties	-	42	-	-	-	-	42
4	(iv) Disputed Dues - MSME	-	-	-	-	-	-	-
5	(v) Disputed Dues - Others	-	-	-	-	-	-	-
6	Disputed Dues - Related parties	-	-	-	-	-	-	-
	<b>Total</b>	-	<b>562</b>	<b>73</b>	<b>1</b>	<b>0</b>	-	<b>636</b>

\*Date of transaction is considered as due date in cases where no due date of payment is specified

**24 Other Matters:** Information with regards to the other matters specified in schedule III to the Act is either NIL or Not Applicable to the Company for the current and previous year, and therefore has not been presented in the Financial Statements.

**25** Previous year figures are regrouped/reclassified wherever necessary to make them comparable with the current period's figures.

**L&T Deccan Tollways Limited****Notes forming part of financial statements for the year ended March 31, 2023****B 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:

<b>Items</b>	<b>Measurement basis</b>
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 rounded off to Indian Rupees in Lakhs 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.
- Other items of income are recognised as and when the right to receive arises.

**L&T Deccan Tollways Limited****Notes forming part of financial statements for the year ended March 31, 2023****B 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
<b>Plant and equipment:</b>	
Other Toll equipments	7
Toll equipment (Fastag and RFID readers)	5
DG Sets	12
Air-conditioning and refrigeration equipment	12
Split AC and Window AC	4
Furniture and fixtures	10
<b>Vehicles:</b>	
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
<b>Office equipment:</b>	
Multifunctional devices, printers, switches and projectors	4
Other office equipments	5
<b>Computers:</b>	
Servers and systems	6
Desktops, laptops, etc,	3
Electrical installations	10

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

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

**B 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.

**B 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 Segment reporting**

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

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

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

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

**15 Leases**

The 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.

**B Significant Accounting Policies**

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.

**16 Earnings per share**

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

**17 Income taxes**

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

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

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

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

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

**18 Impairment of assets**

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

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

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

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

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

**19 Provisions, contingent liabilities and contingent assets**

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

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

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

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



**B Significant Accounting Policies**

**20 Financial Instruments**

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

**a) Financial Assets**

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

Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost (unless the same are designated as fair value through profit or loss (FVTPL)):

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

A financial asset is primarily derecognised when:

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

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

**b) Financial Liabilities**

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

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

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

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

**21 Insurance claims**

Insurance claims are accounted for on the basis of realisation

**22 Operating Cycle**

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

**23 Claims**

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

**24 Commitments**

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

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

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

**L&T Deccan Tollways Limited**

**Notes forming part of financial statements for the year ended March 31, 2023**

**B Significant Accounting Policies**

**25 Recent Accounting Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

**IndAS 1:** Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements

**IndAS 8:** Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements

**IndAS 12:** This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements

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As per our report on even dated attached

**For GIANENDER & ASSOCIATES**

Chartered Accountants

Firm's Registration No.: 004661N

by the hand of

**G K Agrawal**  
**Partner**

Membership No. 081603

Place: New Delhi  
Date: April 15, 2023

**For and on behalf of the Board,**

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

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

**P. Padmanabhan**  
Chief Financial Officer

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

Place: Chennai  
Date: April 15, 2023

**ATTENDANCE SLIP**  
**L&T DECCAN TOLLWAYS LIMITED**  
**CIN: U45203TN2011PLC083661**

**Regd. Office: P.O. Box. 979, Mount Poonamallee Road, Manapakkam, Chennai - 600089.**

12<sup>th</sup> Annual General Meeting, held on Tuesday the August 08, 2023, at 05.00 P.M. at the registered office of the Company

**Reg. Folio No.** \_\_\_\_\_

**No. of Shares** \_\_\_\_\_

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the 12<sup>th</sup> Annual General Meeting of the Company, held on, Tuesday the August 08, 2023, at 5.00 P.M. at the registered office of the Company at Mount Poonamallee Road, Manapakkam, Chennai - 600089.

\_\_\_\_\_  
Name of the member

\_\_\_\_\_  
Signature of Member

\_\_\_\_\_  
Name of the Proxy (In block letters)

\_\_\_\_\_  
Signature of Proxy

**Note: Please fill the Attendance slip and hand it over at the Entrance of the Meeting Hall.**

**PROXY FORM**  
**Form No. MGT-11**

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

**CIN: U45203TN2011PLC083661**

**Name of the Company: L&T DECCAN TOLLWAYS LIMITED**

**Regd. Office: Mount Poonamallee Road, Manapakkam, Chennai - 600089.**

Name of the member (s) :	
Registered address :	
E-mail Id:	
Folio No/ Client Id :	
DP ID :	

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

1. Name:  
Address:  
E-mail Id:  
Signature: failing him
  
2. Name:  
Address:  
E-mail Id:  
Signature: failing him
  
3. Name:  
Address:  
E-mail Id:  
Signature: failing him

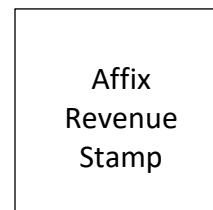
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday the August 08, 2022, at 5.00 P.M. at the Registered office of the Company at Mount Poonamallee Road, Manapakkam, Chennai – 600089 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions	For	Against
<b>Ordinary Business</b>			
1	To consider and adopt the audited Financial Statements of the Company for the year ended March 31, 2023, together with the Reports of the Board of Directors and Auditors thereon.		
2	To appoint a Director in place of Mr. R.G. Ramachandran (DIN: 02671982), who retires by rotation and being eligible, offers himself for re-appointment.		
3	To approve the remuneration of M/s. Gianender & Associates, Statutory Auditors of the Company		
<b>Special Business</b>			
4	To consider and ratify the remuneration of Cost Auditor for the FY 2023-24		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2023

Signature of Shareholder

Signature of Proxy holder(s)



**Notes:**

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

**Route map to the AGM venue of L&T Deccan Tollways Limited**

