



### INDEPENDENT AUDITORS' REPORT

To  
The Members of  
**Ayodhya Gorakhpur SMS Tolls Private Limited**

#### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **Ayodhya Gorakhpur SMS Tolls Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information forming part thereof.

#### **Management's Responsibility 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there-under.

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





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

We believe that the audit evidence obtained by us and the audit evidence obtained by the branch auditors and other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements

### Opinion

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

### 1) Report on Other Legal and Regulatory Requirements

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

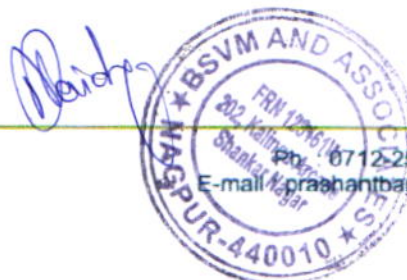
2. As required by Section 143 (3) of the Act, we report that:

(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, 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 relevant rules thereunder.





# BSVM AND ASSOCIATES

CHARTERED ACCOUNTANT

(e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal Financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure –B.

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

(i) The Company has no major pending litigations which would impact its financial position.

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

(iii) There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

FOR BSVM and Associates  
Chartered Accountants  
FRN: 123161W



Prateek Vaidya  
Partner  
M. No. 118792  
Place: Nagpur  
Date: 27<sup>th</sup> August 2018



Annexure-A referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2018, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us all the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) The Company does not own any immovable property, thus Para 3 (i) (c) is not applicable.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on physical verification of inventory.
- (iii) (a) The company has granted loans to the parties covered in the register maintained u/s 189 of the Act. In our opinion and according to the information and explanation given to us, the terms and conditions of loans are not prejudicial to the company's interest.
- (b) In respect to loans granted to the parties, there is no principal amount due for payment during the year. According to information and explanation given to us, the terms of arrangement do not stipulate any interest and repayment schedule and the loans are repayable on demand. Since there is no stipulation of payment of interest, we are unable to make comment on regularity of payment of interest.
- (c) There are no overdue amounts in respect of the loans granted to the Parties listed in the register maintained u/s 189 of the Act.
- (iv) In our opinion and according to information and explanations given to us and independent opinion obtained, the company has generally complied with the provisions of Section 185 and 186 of the act, with respect to the loans and investments made.
- (v) The company has not accepted any deposits from the public.
- (vi) According to information and explanations given to us and in our opinion, on the basis of records produced to us, prima facie, the cost records and accounts prescribed by the central government under section 148 (1) of the act have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, cess and other material statutory dues applicable to it.

*Prashant*





According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2018 for a period of more than six months from the date of becoming payable .

(b) As informed to us there are no disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities.

- (viii) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks/debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer. However with respect to term loan raised during the year, the same have been applied for the purpose for which those are raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company have been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- (xii) In our opinion and according to information and explanations given to us, the Company is not a nidhi company .Accordingly Para 3 (xii) of the order is not applicable.
- (xiii) According to information and explanations given to us and based on examination of records of company transactions with the related parties are in compliance with Sections 177 and 188 of the act , where applicable and details of such transactions have been duly disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to information and explanations given to us and based on examination of records of company the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to information and explanations given to us and based on examination of records of company , the company has not entered into non cash transactions with the directors or persons connected with him .Accordingly paragraph 3 (xv) of the Order is not applicable.





# BSVM AND ASSOCIATES

CHARTERED ACCOUNTANT

- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR BSVM and Associates  
Chartered Accountants  
FRN: 123161W



Prateek Vaidya  
Partner  
M. No. 118792  
Place: Nagpur  
Date: 27<sup>th</sup> August 2018

**AYODHYA GORAKHPUR SMS TOLLS PRIVATE LIMITED**  
**Balance Sheet as at 31 March 2018**

Particulars	Notes	As at 31 March 2018 ₹	As at 31 March 2017 ₹
<b>ASSETS:</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	96,95,201	1,29,34,324
Capital work in progress		-	-
Other Intangible Assets	4	5,36,99,55,559	6,25,02,99,472
Intangible assets under development		-	-
<b>Financial Assets</b>			
i) Investments		-	-
ii) Loans		-	-
iii) Other Financial Assets	5	43,950	5,70,49,221
Deferred Tax Assets (net)	6	22,03,889	22,03,889
Other Non-current assets		-	-
<b>Total Non-Current Assets</b>		<b>5,38,18,98,599</b>	<b>6,32,24,86,906</b>
<b>Current Assets</b>			
Inventories	7	1,16,79,648	-
<b>Financial Assets</b>			
i) Trade Receivables	8	1,85,23,056	93,40,658
ii) Cash and Cash Equivalent	9	10,56,38,679	9,85,46,984
iii) Bank Balances other than (ii) above		-	-
iv) Loans	10	43,83,91,814	41,11,85,000
v) Other Financial Assets	11	51,92,301	42,65,593
Other Current Assets	12	19,24,44,112	17,54,30,791
<b>Total Current Assets</b>		<b>77,18,69,611</b>	<b>69,87,69,026</b>
<b>Total Assets</b>		<b>6,15,37,68,210</b>	<b>7,02,12,55,932</b>
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
Equity Share Capital	13	16,00,00,000	16,00,00,000
Other Equity	14	19,81,12,491	3,36,593
<b>Total Equity</b>		<b>35,81,12,491</b>	<b>16,03,36,593</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities:</b>			
Borrowings	15	25,45,65,813	38,64,62,388
Provisions	16	5,13,97,71,835	6,18,85,60,010
Other Non-Current Liabilities		-	-
<b>Total Non-Current Liabilities</b>		<b>5,39,43,37,648</b>	<b>6,57,50,22,398</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings		-	-
Trade Payables	17	22,82,69,234	10,21,83,215
Other Financial Liabilities	18	16,11,91,192	15,13,07,284
Provisions	19	86,00,631	2,23,96,097
Other Current Liabilities	20	32,57,014	1,00,10,345
<b>Total Current Liabilities</b>		<b>40,13,18,071</b>	<b>28,58,96,941</b>
<b>Total Liabilities</b>		<b>5,79,56,55,719</b>	<b>6,86,09,19,339</b>
<b>Total Equity and Liabilities</b>		<b>6,15,37,68,210</b>	<b>7,02,12,55,932</b>

Significant Accounting Policies 2

Notes to Financial Statements 3-36

The notes referred to above form an integral part of the standalone financial statements

As Per Our report of even date attached

For BSVM and Associates

Chartered Accountants

Firm Reg. No. 123161W



CA Prateek Vaidya  
 Partner  
 Membership No. 118792  
 Date: 27th August 2018  
 Place: Nagpur

*Image*

Dattatraya Kinage  
 Director  
 DIN: 00186353

For and On Behalf of the Board of Directors  
 Ayodhya Gorakhpur SMS Tolls Private Limited

*Signature*

Dilip Surana  
 Director  
 DIN:00953495

AYODHYA GORAKHPUR SMS TOLLS PRIVATE LIMITED  
Statement of Profit and Loss for the period ended 31st March 2018

Particulars		Notes	As at 31 March 2018 ₹	As at 31 March 2017 ₹
I.	Revenue from Operations	21	1,75,22,16,252	1,46,96,07,403
II.	Other Income	22	23,60,801	33,63,371
III.	<b>Total income</b>		<b>1,75,45,77,053</b>	<b>1,47,29,70,774</b>
IV.	<b>Expenses</b>			
	Changes in inventory		(52,09,700)	-
	Operating & Maintenance Expenses	23	8,50,28,515	11,81,63,454
	Employee Benefits Expense	24	6,27,92,131	6,40,36,937
	Depreciation and Amortization Expense	3,4	1,22,90,40,526	1,16,71,83,263
	Finance Costs	25	6,17,60,624	1,99,29,386
	Other Expenses	26	4,48,11,009	3,78,64,975
	<b>Total Expense (IV)</b>		<b>1,47,82,23,105</b>	<b>1,40,71,78,015</b>
V.	<b>Profit Before Tax (III-IV)</b>		<b>27,63,53,948</b>	<b>6,57,92,759</b>
VI.	<b>Income Tax Expense</b>			
	(1) Current Tax		5,76,21,744	1,16,48,182
	(2) Adjustment of tax relating to earlier periods		16,99,083	-
	(3) Deferred Tax		-	-
	<b>Total Tax Expense</b>		<b>5,93,20,827</b>	<b>1,16,48,182</b>
VII.	<b>Profit From Continuing Operations (V-VI)</b>		<b>21,70,33,121</b>	<b>5,41,44,576</b>
VIII.	<b>Other Comprehensive Income/(Loss) from Continued Operations</b>			
	(i) Items that will not be reclassified to profit or loss :		-	-
	(ii) Income Tax relating to above items that will not be classified to profit & loss.		-	-
	<b>Other Comprehensive Income/(Loss) from continued operations (Net of Tax)</b>		<b>-</b>	<b>-</b>
IX.	<b>Total Comprehensive Income/(Loss) from continued operations (VII + VIII) (Comprising Profit and Other Comprehensive Income for the period)</b>		<b>21,70,33,121</b>	<b>5,41,44,576</b>
	Basic and Diluted Earnings per share (₹)		<b>13.56</b>	<b>3.38</b>

Significant Accounting Policies

Notes to Financial Statements

The notes referred to above form an integral part of the standalone financial statements

As Per Our report of even date attached

For BSVM and Associates

Chartered Accountants

Firm Reg. No. 123161W

*Prateek Vaidya*

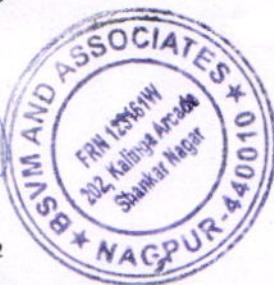
CA Prateek Vaidya

Partner

Membership No. 118792

Date: 27th August 2018

Place: Nagpur



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3-36

For and On Behalf of the Board of Directors  
Ayodhya Gorakhpur SMS Tolls Private Limited

*Dattatraya Kinage*

Dattatraya Kinage

Director

DIN: 00186353

*Dilip Surana*

Dilip Surana

Director

DIN:00953495



**AYODHYA GORAKHPUR SMS TOLLS PRIVATE LIMITED**  
**Statement of changes in equity for the period ended 31st March 2018**

<b>A. EQUITY SHARE CAPITAL</b>	Amount (in Rs)
Balance as at 1 April 2016	1,00,000
Changes in equity share capital during the year	15,99,00,000
Balance as at 31 March 2017	16,00,00,000
Changes in equity share capital during the year	-
Balance as at 31 March 2018	<b>16,00,00,000</b>

**B. OTHER EQUITY**

	Attributable to the equity holders		
	Reserves and Surplus	Items of OCI	Total Equity
	Retained Earnings	FVTOCI Reserve	
<b>Balance as at 1 April 2016</b>	10,60,92,017	-	10,60,92,017
Profit for the period	5,41,44,576	-	5,41,44,576
Other comprehensive income	-	-	-
Total comprehensive income	16,02,36,593	-	16,02,36,593
Less: Bonus Shares issued during the year	(15,99,00,000)	-	-
Interim Dividend paid	-	-	-
<b>Balance as at 31 March 2017</b>	<b>3,36,593</b>	<b>-</b>	<b>16,02,36,593</b>
<b>As at 1 April 2017</b>	3,36,593	-	3,36,593
Profit for the period	21,70,33,121	-	21,70,33,121
Preliminary expense write off	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income	21,73,69,714	-	21,73,69,714
Less: Bonus Shares issued during the year	-	-	-
Less: Interim Dividend Paid	(1,92,57,224)	-	(1,92,57,224)
<b>Balance as at 31 March 2018</b>	<b>19,81,12,490</b>	<b>-</b>	<b>19,81,12,490</b>

Significant Accounting Policies 2  
 Notes to Financial Statements 3-36  
 The notes referred to above form an integral part of the standalone financial statements  
 As Per Our report of even date attached  
 For BSVM and Associates  
 Chartered Accountants  
 Firm Reg. No. 123161W

For and On Behalf of the Board of Directors  
 Ayodhya Gorakhpur SMS Tolls Private Limited

CA Prateek Vaidya  
 Partner  
 Membership No. 118792  
 Date: 27th August 2018  
 Place: Nagpur



*Dattatraya Kinage*  
 Dattatraya Kinage  
 Director  
 DIN: 00186353

*Dilip Surana*  
 Dilip Surana  
 Director  
 DIN:00953495

AYODHYA GORAKHPUR SMS TOLLS PRIVATE LIMITED  
Cash Flow Statement for the year ended 31st March 2018

(in ₹)

Particulars	Notes	Year Ended 31st March 2018	Year Ended 31st March 2017
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Profit / (loss) before tax		27,63,53,948	6,57,92,759
<b>Adjustments for:</b>			
Depreciation and Amortization Expense	3,4	1,22,90,40,526	1,16,71,83,263
Finance Charges	24	5,29,02,078	1,99,29,386
Profit on sale of Fixed Assets	21	(2,585)	-
Interest Income	21	(20,54,746)	(32,61,103)
<b>Operating cash profit / (loss) before working capital changes</b>		<b>1,55,62,39,222</b>	<b>1,24,96,44,305</b>
<b>Adjustments for changes in working capital</b>			
(Increase) /decrease in Trade receivable		(91,82,398)	(93,26,748)
(Increase) /decrease in Inventory		(1,16,79,648)	-
(Increase) / decrease in Loans		(5,17,46,814)	(64,30,808)
(Increase) /decrease in Current Financial Assets- Others		(9,26,708)	(30,38,999)
(Increase) / decrease in Other Current Assets		(1,70,13,321)	13,66,35,941
Increase / (decrease) in Trade Payables - Short Term		12,60,86,019	1,54,47,771
Increase / (decrease) in Current Financial Liabilities - Others		98,83,908	5,17,160
Increase / (decrease) in Short Term Provision		(1,37,95,466)	2,07,52,872
Increase / (decrease) in Other Current Liabilities		(67,53,331)	(99,51,973)
Increase / (decrease) in Long Term Provision		(1,04,87,88,175)	(84,00,79,889)
<b>Cash generated / (used) from operations</b>		<b>53,23,23,287</b>	<b>55,41,69,631</b>
Income Tax Paid		5,93,20,827	6,82,43,334
<b>Net cash inflow / (outflow) from operating activities (A)</b>		<b>47,30,02,460</b>	<b>48,59,26,297</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>			
Purchase of Property, Plant & Equipment including CWIP,intangible assets		(34,54,59,906)	(56,69,12,121)
Sale of Property, Plant & Equipment		5,000	-
Loans and Advance made to Related parties - Given		(9,60,000)	(40,65,00,000)
Loans and Advance made to Related parties - Repayment Received		2,55,00,000	20,00,000
Investment in bank deposit (having original maturity of more than three months)		5,70,05,271	(5,70,05,271)
Other non current deposits		-	(3,500)
Interest Received		20,54,746	32,61,103
<b>Net cash inflow / (outflow) from investing activities (B)</b>		<b>(26,18,54,889)</b>	<b>(1,02,51,59,789)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>			
Proceeds from Issue of Share Capital		-	-
Proceeds from borrowings		8,45,00,000	55,94,00,000
Repayment of borrowings		(21,75,50,490)	(3,00,00,000)
Payment of Dividend and DDT		(1,92,57,224)	-
Advances / deposits received / (paid)		-	-
Interest paid	24	(5,17,48,162)	(1,99,01,318)
<b>Net cash inflow / (outflow) from financing activities (C)</b>		<b>(20,40,55,876)</b>	<b>50,94,98,682</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>		<b>70,91,695</b>	<b>(2,97,34,809)</b>
Add: Cash and cash equivalents at the beginning of the year		9,85,46,984	12,82,81,793
<b>Cash and cash equivalents at the end of the year</b>		<b>10,56,38,679</b>	<b>9,85,46,984</b>



Cash and Cash equivalents includes as at 31<sup>st</sup> March,2018

Particulars		31st March 2018	31st March 2017
Cash on hand	8	83,60,955	1,06,64,602
Balance with banks in current accounts	8	9,71,29,611	8,77,45,076
Balance with banks in deposit accounts	8	1,48,114	1,37,306
<b>Cash and cash equivalents at the end of the year</b>		<b>10,56,38,679</b>	<b>9,85,46,984</b>

**Notes:**

- 1) The cash flow statement has been prepared under Indirect Method as per Accounting Standard - 3 "Cash Flow Statement".
- 2) All figures in bracket are outflow.
- 3) Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- 4) Previous year figures have been recast / restated wherever necessary.

As Per Our report of even date

**For BSVM and Associates**

Chartered Accountants

Firm Regn. 123161W

**Prateek Vadiya**

**Partner**

M No 118792

Date: 27th August 2018

Place: Nagpur



For and On Behalf of the Board of Directors

**Ayodhya Gorakhpur SMS Tolls Private Limited**

*Image*

Dattatraya Kinage

**Director**

DIN: 00186353

Dilip Surana

**Director**

DIN:00953495

**AYODHYA GORAKHPUR SMS TOLLS PRIVATE LIMITED**  
**Notes to Financial Statements as at 31st March, 2018:**

**1 Corporate information**

AYODHYA GORAKHPUR SMS TOLLS PRIVATE LIMITED is a Limited Liability Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. NHAI has granted a contract to the Company to Operate, Maintain and Transfer ('OMT') of National Highway No. 28 ('NH 28') under the Concession Agreement dated 5th March 2013 for a period of 9 years. The said project shall include construction on the site of the project facilities, operation and maintenance of the project highway and performance and fulfillment of all other obligations incidental thereto.

**2 Statement of Significant Accounting Policies**

**2.1 Basis of preparation:**

These financial statements of the Company for the year ended March 31, 2018 along with comparative financial information for the year March 31, 2017 have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

**Historical Cost Convention:**

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value;

**Current non-current classification:**

All assets and liabilities have been classified as current or noncurrent as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

**2.2 Functional and presentation currency:**

These standalone financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded to the nearest rupees, unless otherwise indicated.

**2.3 Critical accounting judgements and key sources of estimation uncertainty:**

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the (standalone) balance sheet and (standalone) statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

**a) Property, plant and equipment :**

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised. Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest if any.

**b) Recognition of deferred tax assets :**

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management is reasonably certain that taxable profits will be available to absorb carried forward losses while recognising deferred tax assets.

**c) Recognition and measurement of other provisions :**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

**d) Discounting of long-term financial instruments :**

All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to subsequently measured at amortised cost, interest is accrued using the effective interest method.



e) **Overlay Expenditure:**

As per the concession Agreement entered with NHAI, the company has a contractual obligation to carry out resurfacing /overlay of the roads under concession. Provision for overlay in respect of toll roads maintained by the company under service concession arrangements and classified as intangible assets represents contractual obligations to restore an infrastructure facilities to a specified level of serviceability in respect of such asset and hence has recognised the same as an upgrade service and as intangible asset, the timing and amount of such asset are estimated and recognised on a discounted basis. Estimate of the provision is measured using a number of factors such as contractual requirements, technology, expert opinions and expected price level. Because actual cash flows can differ from estimates due to changes in laws, regulations, public expectation, technology, prices and conditions and can take place many years in the future, the carrying amounts of provisions is reviewed at regular intervals and adjusted to take account of such changes.

2.4 **Measurement of fair values:**

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments. When measuring the fair value of a financial asset or a financial liability, fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company recognises transfers due to change between levels of the fair value hierarchy at the end of the reporting period.

2.5 **Significant accounting policies**

i) **Property, Plant, Equipment**

a) **Recognition and measurement**

Property, Plant, Equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs, either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

b) **Depreciation / amortization**

Depreciation is provided on a pro-rata basis on the written down value over the estimated useful life of the assets.

Depreciation on addition/deletion of fixed assets during the year is provided on pro-rata basis from / to the date of addition/deletion. Fixed assets costing up to ₹ 5,000 individually are fully depreciated in the year of purchase.

Useful life of the asset is taken, as specified in Schedule II of the Companies Act, 2013"

c) **Subsequent expenditure:**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

d) **Impairment of fixed assets:**

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized 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 greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized 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 recognized 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 recognized.

ii) **Intangible assets**

Toll Collection Rights

a) **Recognition and Measurement**

Toll collection rights are stated at cost, less accumulated amortisation and impairment losses. Cost includes: Contractual Upfront / monthly /fortnightly payments towards acquisition



**b) Contractual obligation to restore the infrastructure to a specified level of serviceability**

In case of concession arrangements under of such costs are estimated and recognised on a discounted basis by charging costs to revenue on the units of usage method i.e. on the number of vehicles expected to use the project facility , over the period at the end of which the overlay is estimated to be carried out based on technical evaluation by independent experts.

**c) Amortisation of intangible asset under SCA**

The intangible rights reallion to infrastructure assets , which are recognised in the form of rights to charge users of the infrastructure assets are amortized by taking proportionate of actual traffic count for the period over total projected traffic count from project to cost of intangible assets i.e. proportionate of actual traffic count from the intangible assets expected to earned over the balance concession period as estimated by management

**d) Accounting of receivable and payable from / to the grantor**

When the arrangements has a contractual obligation to pay cash or other financial asset to the grantor speifiacally towards the concession arrangements during the construction period or otherwise , such unconditional obligation to pay cash is recorded as financial liabilities on the date when the obligation arises accordance with Ind AS 109 Financial Instruments at amortise cost , with a corresponding recognition of an intangible asset. Thereafter , the interest expense is recognised based of effective interest rate method , which also becomes eligible for capitalisation on qualifying assets.

**iii) Borrowing cost**

Borrowing costs are interest and other costs related to borrowing that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest costs measured at Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Ancillary borrowing costs are amortised over the tenure of the loan. Borrowing costs that are attributable to acquisition or construction of qualifying assets are capitalized as a part of cost of such assets till the time the asset is ready for its intended use. A qualifying assets is the one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recorded as an expense in the year in which they are incurred. Ancillary borrowing costs are amortised over the tenure of the loan.

**iv) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**A Financial assets**

**Classification**

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**Initial recognition and measurement:**

Financial assets are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity or equity instrument of another entity. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets , other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets , as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in statement of profit and loss.

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

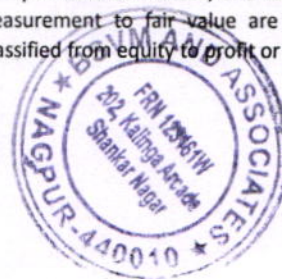
After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

**Debt instruments at FVOCI**

A 'debt instrument' is measured at the Fair value through other comprehensive income(FVOCI) if both the following conditions are met:

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

For assets classified as subsequently measured at FVOCI, interest revenue, expected credit losses, and foreign exchange gains or losses are recognised in profit or loss. Other gains and losses on remeasurement to fair value are recognised in OCI. On derecognition, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.



#### **Debt instrument at fair value through profit and loss (FVTPL)**

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. In addition, the group may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

#### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised

(i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company 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 either
  - (a) the Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### **Impairment of financial assets:**

Financial assets of the Company comprise of trade receivable and other receivables consisting of debt instruments e.g., loans, debt securities, deposits, and bank balance. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. An impairment loss for trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Impairment losses if any, are recognised in profit or loss for the period."

#### **B. Financial liabilities**

Financial instruments with a contractual obligation to deliver cash or another financial assets is recognised as financial liability by the Company.

#### **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

#### **Initial recognition and measurement**

##### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit or loss.

##### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



vi) **Leases**

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

vii) **Trade Receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment.

viii) **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

ix) **Provisions, contingent liabilities and contingent assets**

A provision is recognized when the Company has a present obligation 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. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to the financial statements.

Contingent assets are not recognized in the financial statements.

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

x) **Revenue recognition:**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company, the revenue can be reliably measured and no significant uncertainty as to the measurability and collectability exists.

**Toll collection**

Revenue from toll collection is recognised on actual collections of toll and in case of contractual terms with certain customers the same is recognised on an accrual basis.

**Revenue from Construction Contracts**

Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed upto the balance sheet date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable.

If total cost is estimated to exceed total contract revenue, the Company provides for foreseeable loss. Contract revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of contract revenue has been reflected as unearned revenue.

**Operation and Maintenance Contracts:-**

Revenue from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered.

**Road repair and maintenance:**

Revenue from road repair and maintenance work is recognised upon completion of services as per contractual terms.

**Other income:**

- Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective rate of interest.
- Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.





**xi) Retirement and other employee benefits**

**a) Short term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**b) Post Employment Employee Benefits**

Retirement benefits to employees comprise payments to government provident funds, gratuity fund and Employees State Insurance.

**Defined contribution plans**

The Company's contribution to defined contributions plans such as Provident Fund, Employee State Insurance and Maharashtra Labour Welfare Fund are recognised in the Statement of Profit and Loss in the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective Funds.

**Defined benefit plans**

Gratuity liability is defined benefit obligation. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary, 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 rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date. Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

**xii) Income Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes and Reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. The tax effect is calculated on the accumulated timing differences at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum alternate tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**xiii) Earnings Per Share**

**a) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.



**b) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**xiv) Inventories**

**Construction materials, components, stores, spares and tools**

They are valued at lower of cost and net realisable value. Cost is determined on first in first out basis and comprise all cost of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

**Work-in-progress and finished goods**

They are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of overheads based on normal operating capacity. Cost is determined on weighted average basis. Net realisable value is the estimated contract price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to complete the contract. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. In case if any payment for inventory is deferred beyond normal credit terms then cost is determined by discounting the future cash flows at an interest rate determined with reference to market rates. The difference between the total cost and the deemed cost in such cases are recognised as interest expense over the period of financing under the effective interest method.

**xv) Recent Accounting Pronouncements**

On March 28, 2018 , the Ministry of Corporate Affairs has notified Ind AS-115 - Revenue from Contracts with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the company from April 01,2018.

**a) Issue of Ind AS 115- Revenue from Contracts with Customers**

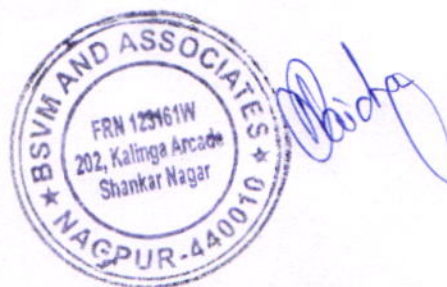
Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

**b) Amendment to Existing issued Ind AS**

The MCA has also carried out amendments of the following accounting standards :

- i) Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- ii) Ind AS 40 – Investment Property
- iii) Ind AS 12 – Income Taxes
- iv) Ind AS 28 – Investments in Associates and Joint ventures and
- v) Ind AS 112 – Disclosure of Interests in Other Entities

Application of above standards are not expected to have significant impact on the Company's Financial Statements.



**Notes to Financial Statements as at 31st March, 2018**

Note 3 - PROPERTY, PLANT AND EQUIPMENT - AS AT 31st March 2018

Property, Plant and Equipment - As At 31st March 2018

Particulars	Gross Block (At Cost)		As at March 31, 2018	Accumulated Depreciation		Net Block	
	As at April 01, 2017	Addition / Adjustments		Deductions / Adjustments	Charge for the half year	As at March 31, 2018	As at March 31, 2017
<b>Tangible Assets</b>							
Office Equipment	26,15,511	12,34,995	38,42,005	(6,085)	6,65,138	11,30,714	5,63,272
Computer & Printer	9,48,116	62,346	10,10,462	-	47,214	97,678	82,547
Furniture & Fixture	12,93,633	29,200	13,22,833	-	1,51,773	3,77,854	5,00,426
Machinery & Tools	86,16,779	2,07,100	88,23,879	-	8,93,215	26,87,287	33,73,402
Vehicles	1,13,39,972	-	1,13,39,972	-	9,33,041	19,37,878	28,70,918
Toll Collection System	2,11,30,263	-	2,11,30,263	-	20,79,967	34,63,791	55,43,758
<b>Total</b>	<b>4,59,44,273</b>	<b>15,33,640</b>	<b>4,74,69,414</b>	<b>(6,085)</b>	<b>47,70,348</b>	<b>3,77,74,212</b>	<b>1,29,34,324</b>

Tangible and Intangible assets are subject to first charge to secured long-term borrowings from the lenders.

Property, Plant and Equipment - As At 31st March 2017

Particulars	Gross Block (At Cost)		As at March 31, 2017	Accumulated Depreciation		Net Block	
	As at April 01, 2016	Addition / Adjustments		Deductions / Adjustments	Charge for the year	As at March 31, 2017	As at March 31, 2016
<b>Tangible Assets</b>							
Office Equipment	22,90,561	3,29,850	26,15,511	(3,606)	4,32,358	20,52,238	6,67,075
Computer & Printer	9,36,216	11,900	9,48,116	-	81,598	8,65,569	1,52,244
Furniture & Fixture	12,41,488	52,145	12,93,633	-	1,89,744	7,93,207	6,38,025
Machinery & Tools	85,32,737	84,042	86,16,779	-	11,09,215	52,43,377	43,98,575
Vehicles	1,13,39,972	-	1,13,39,972	-	13,84,118	84,69,053	42,55,036
Toll Collection System	1,99,60,644	11,69,619	2,11,30,263	-	32,24,356	1,55,86,505	75,98,496
<b>Total</b>	<b>4,43,01,617</b>	<b>16,47,556</b>	<b>4,59,44,273</b>	<b>(3,606)</b>	<b>64,21,389</b>	<b>3,30,09,949</b>	<b>1,77,09,451</b>

Tangible and Intangible assets are subject to first charge to secured long-term borrowings from the lenders.



Note 4 - Intangible Assets - as at 31st March 2018

Intangible Assets - as at 31st March 2018

Particulars	Gross Block (At Cost)			Accumulated Depreciation			Net Block		
	As at April 01, 2017	Addition / Adjustments	Deductions / Adjustments	As at March 31, 2018	As at April 01, 2017	Deductions / Adjustments	Charge for the period	As at March 31, 2018	As at March 31, 2017
Intangible Assets: Toll Collection Rights	8,58,56,60,951	34,30,95,504	-	8,92,87,56,454	2,33,53,61,479	-	1,22,42,70,178	5,36,91,24,797	6,25,02,99,472
Intangible Assets Under Development: Admin Building	-	8,30,762	-	8,30,762	-	-	-	8,30,762	-
<b>Total</b>	<b>8,58,56,60,951</b>	<b>34,39,26,266</b>	<b>-</b>	<b>8,92,95,87,216</b>	<b>2,33,53,61,479</b>	<b>-</b>	<b>1,22,42,70,178</b>	<b>5,36,99,55,559</b>	<b>6,25,02,99,472</b>

Intangible Assets - as at 31st March 2017

Particulars	Gross Block (At Cost)			Accumulated Depreciation			Net Block		
	As at April 01, 2016	Addition / Adjustments	Deductions / Adjustments	As at March 31, 2017	As at April 01, 2016	Deductions / Adjustments	Charge for the year	As at March 31, 2017	As at March 31, 2016
Intangible Assets: Toll Collection Rights	8,02,03,95,092	56,52,65,858	-	8,58,56,60,951	1,17,45,99,605	-	1,16,07,61,874	6,25,02,99,472	6,84,57,95,487
<b>Total</b>	<b>8,02,03,95,092</b>	<b>56,52,65,858</b>	<b>-</b>	<b>8,58,56,60,951</b>	<b>1,17,45,99,605</b>	<b>-</b>	<b>1,16,07,61,874</b>	<b>6,25,02,99,472</b>	<b>6,84,57,95,487</b>



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**Note 5 Non-Current Financial Assets - Others**

Particulars	As at	As at
	31st March 2018	31st March 2017
<b>Details of Bank Deposits:</b>		
Bank Deposits due to mature after 12 months of the reporting date included under Other Non-Current Financial Assets.	-	5,70,00,000
Interest Accrued on Fixed Deposits	-	5,271
<b>Security Deposits</b>		
(Unsecured, considered good )	43,950	43,950
<b>Grand Total</b>	<b>43,950</b>	<b>5,70,49,221</b>

**Note 6 Deferred Tax Assets**

Particulars	As at	As at
	31st March 2018	31st March 2017
<b>Deferred Tax Assets</b>		
Excess of depreciation on fixed assets provided in accounts over depreciation / amortisation under income tax law	22,03,889	22,03,889
<b>Grand Total</b>	<b>22,03,889</b>	<b>22,03,889</b>

**i) Movement of Deferred Tax Assets:**

Particulars	As at	As at
	31st March 2018	31st March, 2017
Opening balance of deferred tax asset	22,03,889	22,03,889
Charged / Credited to profit or loss	-	-
Closing balance of deferred tax asset	22,03,889	22,03,889

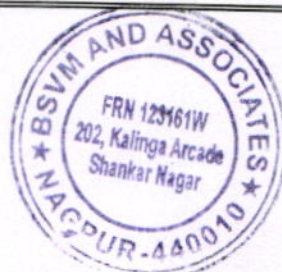
**ii) Reconciliation of Effective Tax Rate as per IND AS 12:**

Particulars	As at	As at
	31st March, 2018	31st March, 2017
Profit / (loss) before tax	27,63,53,948	6,57,92,759
Applicable Tax Rate	34.61%	34.61%
Current year tax expense	5,69,68,574	1,16,48,182
Others	16,99,083	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>5,86,67,657</b>	<b>1,16,48,182</b>
<b>Effective Tax Rate</b>	<b>21.23%</b>	<b>17.70%</b>

No further Deferred Tax assets have been recognised in the FY 2017-18 since the company is under tax holiday period and the same is expected to be reversed in the tax holiday period itself.

**Note 7 Current Assets - Inventories**

Particulars	As at	As at
	31st March 2018	31st March 2017
Raw Materials	64,69,948	-
<b>Work In Progress</b>		
WIP - ETC Hydrive Lane	51,20,000	-
WIP - Change of Scope	89,700	-
<b>Grand Total</b>	<b>1,16,79,648</b>	<b>-</b>



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**Note 8 Current Financial Assets - Trade Receivables**

Particulars	As at	As at
	31st March 2018	31st March 2017
Unsecured - Considered Good	1,85,23,056	93,40,658
<b>Grand Total</b>	<b>1,85,23,056</b>	<b>93,40,658</b>

The carrying amounts of trade receivables as at the reporting date approximate fair value. Trade receivables are predominantly non-interest bearing. Trade receivables are shown net of an allowance for bad or doubtful debts.

**Note 9 Current Financial Assets - Cash and Cash Equivalents**

Particulars	As at	As at
	31st March 2018	31st March 2017
Cash on hand	83,60,955	1,06,64,602
<b>Balances With Bank:</b>		
(a) In Current Accounts	9,71,29,611	8,77,45,076
(b) In Fixed Deposits - Original Maturity of 3 Months or Less	1,48,114	1,37,306
<b>Grand Total</b>	<b>10,56,38,679</b>	<b>9,85,46,984</b>

Bank balances and term deposits with banks by the company on a short-term basis with original maturity of three months or less. The carrying amount of cash equivalents as at reporting date at fair value.

**Note 10 Current Financial Assets - Loans**

Particulars	As at	As at
	31st March 2018	31st March 2017
<b>(Unsecured, considered good)</b>		
(a) Loans and Advances to Related Parties		
- Inter Corporate Deposit - SMSL	37,90,00,000	40,45,00,000
(b) Advance to Employees	84,31,814	66,85,000
(c) V.K. Sancheti (Loan A/c)	9,60,000	-
(d) Active Infrastructure Ltd (Loan A/c)	5,00,00,000	-
<b>Grand Total</b>	<b>43,83,91,814</b>	<b>41,11,85,000</b>

**Note 11 Current Financial Assets - Others**

Particulars	As at	As at
	31st March 2018	31st March 2017
Vat Refund Receivable - WCT	51,92,301	42,65,593
<b>Grand Total</b>	<b>51,92,301</b>	<b>42,65,593</b>

**Note 12 Other Current Assets**

Particulars	As at	As at
	31st March 2018	31st March 2017
<b>Tax Assets:</b>		
Income Tax Refundable FY 14-15	1,75,91,749	-
Income Tax Refundable FY 16-17	3,90,75,710	-
Advance Income tax	-	8,89,96,268
Less: Provision for Taxation	-	(3,06,29,726)
<b>Total</b>	<b>5,66,67,459</b>	<b>5,83,66,542</b>



**Other:**

## Loans and Advances to Related Parties:

- Capital Advances to SMSL	9,74,94,929	11,26,91,204
Prepaid Expenses	1,08,858	3,53,018
Prepaid Insurance	1,65,626	1,85,068
GST Receivable	3,24,26,458	-
Prepaid BG Commission	55,80,782	38,34,959
<b>Grand Total</b>	<b>19,24,44,112</b>	<b>17,54,30,791</b>

**Note 13 Equity Share Capital**

Particulars		As at 31st March 2018	As at 31st March 2017
<b>(a) Authorized Capital :</b>			
1,60,00,000 (March 31, 2017: 1,60,00,000)	Equity	16,00,00,000	16,00,00,000
Shares of the par value of Rs. 10 each			
<b>(b) Issued :</b>			
1,60,00,000 (March 31, 2017: 1,60,00,000)	Equity	16,00,00,000	16,00,00,000
Shares of the par value of Rs. 10 each			
<b>(C) Subscribed and Paid Up Capital :</b>			
1,60,00,000 (March 31, 2017: 1,60,00,000)	Equity	16,00,00,000	16,00,00,000
Shares of the par value of Rs. 10 each			
<b>Total</b>		<b>16,00,00,000</b>	<b>16,00,00,000</b>

**(d) Reconciliation of number of shares Outstanding at the beginning and end of the year:**

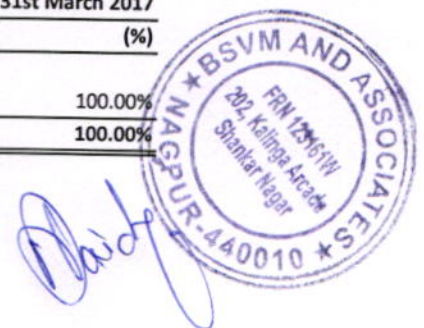
Particulars	As at 31st March 2018	As at 31st March 2017
	No. of Shares	No. of Shares
<b>Equity shares</b>		
Opening Balance	1,60,00,000	10,000
Add :- Issued during the year	-	1,59,90,000
<b>Shares outstanding, end of the year</b>	<b>1,60,00,000</b>	<b>1,60,00,000</b>

Particulars	As at 31st March 2018	As at 31st March 2017
	Amount	Amount
<b>Equity shares</b>		
Opening Balance	16,00,00,000	1,00,000
Add :- Issued during the year	-	15,99,00,000
<b>Shares outstanding, end of the year</b>	<b>16,00,00,000</b>	<b>16,00,00,000</b>

**(e) Details of shareholders holding more than 5% of the aggregate shares in the company:**

Particulars	As at 31st March 2018	As at 31st March 2017
	No. of Shares	No. of Shares
<b>Equity shares of Rs. 10 each fully paid up held by:</b>		
SMS Ltd. (Holding Company)	1,60,00,000	1,60,00,000
<b>Total</b>	<b>1,60,00,000</b>	<b>1,60,00,000</b>

Particulars	As at 31st March 2018	As at 31st March 2017
	(%)	(%)
<b>Equity shares of Rs. 10 each fully paid up held by:</b>		
SMS Ltd. (Holding Company)	100.00%	100.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>



**(f) Terms , Rights , Preferences and Restrictions to the Equity Shares:**

The Company has issued only one class of equity share having a par value of Rs. 10/- per share. Each shareholder is entitled to one vote per share. Each share is entitled to equal dividend declared by the Company and approved by the shareholders of the Company.

In the event of liquidation, each share carry equal rights and will be entitled to receive equal amount per share out of the remaining amount available after making preferential payments.

Pursuant to Concession Agreement dated 05.03.2013 entered into between the company and National Highway Authority of India , the aggregate equity shareholding of SMSIL (Bidder) together with its associates , in the issued and paid up equity of the concessionaire shall not decline below 51% during the concession period ( Clause 5.3 of the Agreement)

100% shares of the company are pledged with the State Bank of India against the Term Loan taken. Details of loan are mentioned under notes to the Borrowings.

**Note 14 Other Equity  
Retained Earnings**

Particulars	As at 31st March 2018	As at 31st March 2017
<b>Retained Earnings:</b>		
At the commencement of the year	3,36,593	10,60,92,017
Add: Profit during the Year	21,70,33,121	5,41,44,576
Less: Dividend & DDT	(1,92,57,224)	-
Less: Bonus Shares Issued During the year	-	(15,99,00,000)
Closing Balance	19,81,12,491	3,36,593
<b>Grand Total</b>	<b>19,81,12,491</b>	<b>3,36,593</b>

**Note 15 Non-Current Financial Liability - Borrowings**

Particulars	As at 31st March 2018	As at 31st March 2017
<b>Secured Loans</b>		
<b>Term Loans</b>		
- from Banks		
State Bank Of India	40,08,64,214	53,39,14,704
Vehicle Loan From ICICI Bank - (ZLX 2)	-	1,63,270
<b>Total</b>	<b>40,08,64,214</b>	<b>53,40,77,974</b>
Less:- Current Maturity of the Long Term Borrowings	(14,40,00,000)	(14,41,63,270)
	<b>25,68,64,214</b>	<b>38,99,14,704</b>
Less: Unamortised transaction cost.	(22,98,401)	(34,52,316)
<b>Total</b>	<b>25,45,65,813</b>	<b>38,64,62,388</b>
<b>Grand Total</b>	<b>25,45,65,813</b>	<b>38,64,62,388</b>

**# Notes**

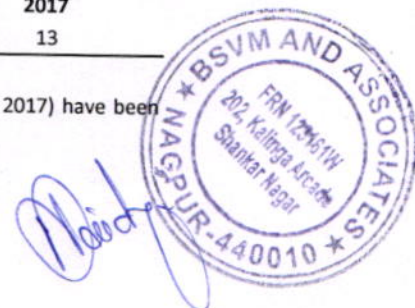
**a. Secured By :-**

Secured against hypothecation of corresponding vehicles and equipments.

**b. Terms of Repayment of Secured Term Loans from Banks, Financial Institutions & Others are given as under:**

Banks, Financial Institutions & Others	As at 31st March 2018	Remaining Months of Repayment
		2017
Vehicle Loan From ICICI Bank - (ZLX 2)	-	13

c. Installments falling due in respect of the above loan upto 31st March, 2018 (previous year: 31st March 2017) have been grouped under "Current maturities of long-term borrowings".





**I) Term Loans:**

A) Term Loan includes loan from bank which is secured by a first and exclusive charge as under:

- a) Exclusive charge on all the Bank accounts of the company including the Escrow Account.
- b) Exclusive charge and Mortgage over all the Company's Movable/Immovable properties and assets, both present and future.
- c) Exclusive charge on all intangible assets of the company including but not limited to the goodwill, undertaking and uncalled capital of the Borrower.
- d) Exclusive charge / assignment of all the revenues of the borrower from the project or otherwise.
- e) Exclusive charge / assignment / security interest on the Company's all the rights, titles, benefits, claims/demands under the Concession Agreement, Project Documents, Contracts and all licenses, permits, approvals and consents in respect of the Project.
- f) Exclusive charge by way of assignment of all the rights, titles, benefits, interests, demand and claims under insurance policies obtained/procured by the Company, and/or any of its contractors favoring the Company, present & future, in respect of the Project.
- g) Assignment of EPC Contract & underlying contractor & liquidated damages, letter of credit, guarantee or performance bond that may be provided by any counterparty under any Project Agreement or contract in favour of the Borrower.
- h) Pledge of 100% share of Ayodhya Gorakhpur SMS Toll Private Limited.
- i) Personal Guarantee of Shri Anand Sancheti.

The term loan is repayable in 57 unequal monthly installments commencing from 30th November 2016.

**Note 16 Provisions**

Particulars	As at	As at
	31st March 2018	31st March, 2017
Provision for Overlay Expenditure	3,64,03,075	28,37,10,292
Provision for Toll Rights	5,10,33,68,760	5,90,48,43,361
Gratuity payable	-	6,357
<b>Grand Total</b>	<b>5,13,97,71,835</b>	<b>6,18,85,60,010</b>

Movement in provision made for overlay expenditure is tabulated below:

Particulars	As at	As at
	31st March 2018	31st March, 2017
Opening balance	28,37,10,292	67,98,00,216
Add: Unwinding of Interest	2,26,96,823	5,43,84,017
Less: Utilisation / Settled during the year	27,00,04,041	45,04,73,941
<b>Closing Balance</b>	<b>3,64,03,075</b>	<b>28,37,10,292</b>

The above provisions are based on current best estimation of expenses that may be required to fulfill the resurfacing obligation as per the service agreement with regulatory authorities. It is expected that significant portion of the costs will be incurred over the period. The actual expenses incurred may vary from the above. No reimbursements are expected from any sources against the above obligation.

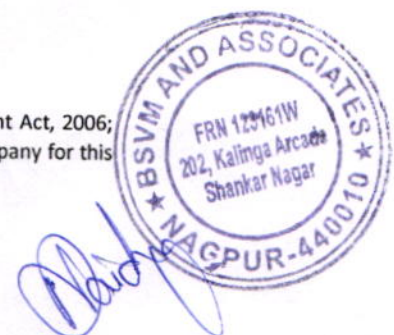
**Note 17 Current Financial Liability - Trade Payables**

Particulars	As at	As at
	31st March 2018	31st March 2017
Micro, Small and Medium Enterprise		
Others	22,82,69,234	10,21,83,215
<b>Grand Total</b>	<b>22,82,69,234</b>	<b>10,21,83,215</b>

Trade Payables are non-interest bearing and are normally settled on 90 day terms.

For explanations on the Company's credit risk management processes, refer to Note. 26 .

# There are no amounts due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006; this information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose. This has been relied upon by the auditors and accordingly no additional disclosures have been made.



**Note 18 Current Financial Liability - Other Financial Liabilities**

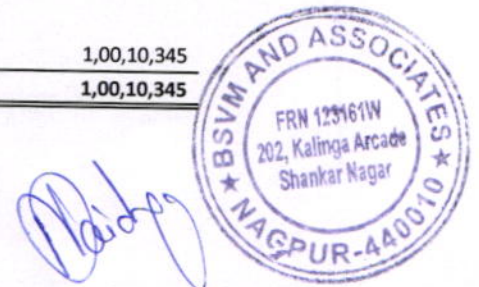
Particulars	As at	As at
	31st March 2018	31st March 2017
<b>Other Payables</b>		
Current Maturities of Long Term Borrowings	14,40,00,000	14,41,63,270
Security Deposit for Sale of Smart Card	1,55,400	1,32,600
Salary & Wages Payable	28,17,242	31,31,332
Provision for Consultancy Charges	1,000	-
Auditor's Remuneration Payable	2,01,900	-
Gratuity Payable	51,28,018	33,75,132
Labour Payment Payable	10,04,568	3,06,456
Bonus Payable	6,936	-
Telephone & Internet Exp Payable	33,970	-
Power and light Payable	4,69,579	1,98,494
Lodging & Rent Payable	1,07,400	-
FOB Payable	72,65,179	-
	<b>16,11,91,192</b>	<b>15,13,07,284</b>

**Note 19 Current Financial Liability - Provisions**

Particulars	As at	As at
	31st March 2018	31st March 2017
<b>Current Tax Liability :</b>		
Provison for Income Tax	5,76,21,744	-
Less: Advance Income Tax	(5,20,63,143)	-
<b>Total</b>	<b>55,58,601</b>	<b>-</b>
<b>Other :</b>		
Workers Cess Payable	1,22,510	33,185
Provident Fund Payable	2,99,639	2,38,657
TDS Payable	12,35,703	22,33,411
GST Payable	13,82,054	-
WCT Payable	-	1,90,35,451
AMC Charges Payable	-	6,01,595
Site Allowance for Staff Payable	-	25,000
Interest Payable on WCT	-	2,17,834
Interest Payable on TDS/TCS	2,124	10,965
<b>Grand Total</b>	<b>86,00,631</b>	<b>2,23,96,097</b>

**Note 20 Current Financial Liability - Other Current Liabilities**

Mobilisation Advance From (NHAI)	32,57,014	1,00,10,345
<b>Grand Total</b>	<b>32,57,014</b>	<b>1,00,10,345</b>



AYODHYA GORAKHPUR SMS TOLLS PRIVATE LIMITED  
Notes to and forming part of Financial Statements for the period ended 31st March 2018

**Note 21 Revenue from Operations**

Particulars	Period Ended 31st March 2018	Year Ended 31st March 2017
Sale of Services		
- Toll Collection	1,70,92,35,165	1,38,33,29,495
- Construction Revenue	4,29,81,087	8,62,77,908
<b>Grand Total</b>	<b>1,75,22,16,252</b>	<b>1,46,96,07,403</b>

**Note 22 Other Income**

Particulars	Period Ended 31st March 2018	Year Ended 31st March 2017
- Interest Income	20,54,746	32,61,103
- Miscellaneous Income	3,06,055	1,02,268
<b>Grand Total</b>	<b>23,60,801</b>	<b>33,63,371</b>

**Note 23 Operating & Maintenance Expenses**

Particulars	Period Ended 31st March 2018	Year Ended 31st March 2017
Change of Scope	3,50,61,081	7,95,69,122
Labour Cess	4,47,692.00	8,42,085
Project Facility Maintenances	75,76,873.00	82,75,661
Site Civil Work	2,55,72,984.27	1,76,63,207
Machine Hire Charges	16,28,898.47	7,84,135
Toll Expenses	13,25,582.20	11,74,201
Safety & Security Expenses	52,18,734.43	46,47,292
ETC Hydrive Lane	51,20,000.00	-
Repairs and Maintenance Expenses (Toll Collection System)	30,76,669.00	52,07,751
<b>Grand Total</b>	<b>8,50,28,515</b>	<b>11,81,63,454</b>

**Note 24 Employee Benefit Expenses**

Particulars	Period Ended 31st March 2018	Year Ended 31st March 2017
Salary and Wages	5,61,87,811	5,25,37,072
Medical Expenses	1,53,489	7,00,978
Contribution to PF and ESIC	35,42,973	30,89,917
Staff Welfare Expenses	11,12,002	18,85,572
Gratuity Expenses	17,95,856	58,23,398
<b>Grand Total</b>	<b>6,27,92,131</b>	<b>6,40,36,937</b>

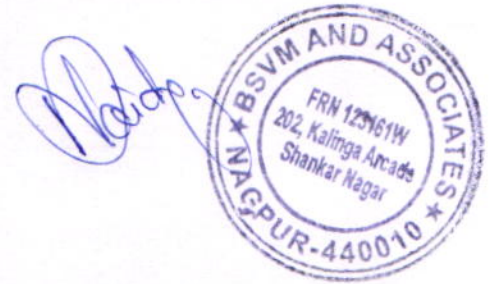
**Note 25 Finance Costs**

Particulars	Period Ended 31st March 2018	Year Ended 31st March 2017
Interest Expense	5,32,35,779	1,26,40,341
Bank Charges	25,79,512	6,42,938
Bank Guarantee Commission	59,45,333	66,46,108
<b>Grand Total</b>	<b>6,17,60,624</b>	<b>1,99,29,386</b>



**Note 26 Other Expenses**

Particulars	Period Ended	Year Ended
	31st March 2018	31st March 2017
<b>Running and Maintenance</b>		
- Vehicle	76,00,652	66,24,694
- Generator	95,50,283	37,05,160
Repair and Maintenances - Others	30,54,796	29,86,255
Insurance Expenses	4,60,086	4,85,568
Rent Rates and Taxes	26,70,162	41,55,095
Business Promotion Expenses	6,61,512	10,20,164
Power and Light	28,92,115	26,28,617
Lodging and Fooding Expenses	14,85,114	13,41,494
Office Expenses	3,25,726	9,06,592
Transportation	1,24,339	10,222
Miscleneous Expenses	2,72,079	2,06,382
Consultancy Charges	1,25,05,247	1,04,78,516
Postage and Courier	4,093	4,980
Printing & Stationery	10,76,494	8,68,083
Audit fees	2,59,800	1,55,133
Telephone, Fax and Internet Expenses	13,12,660	19,06,193
Asset write off	-	1,295
Travelling and Conveyance	5,55,852	3,80,533
<b>Grand Total</b>	<b>4,48,11,009</b>	<b>3,78,64,975</b>



27 Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

Credit risk ;  
Liquidity risk

i. Risk management framework

The Company's board of directors is primarily responsible to develop and monitor Company's Risk Management framework. The Company has a risk management policy in place. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations

ii. Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk on its receivables is recognised on the statement of financial position at the carrying amount of those receivable assets, net of any provisions for doubtful debts. Receivable balances and deposit balances are monitored on a monthly basis with the result that the company's exposure to bad debts is not considered to be material with an appropriate credit history.

The Company does not have any credit risk outside India.

Cash equivalents & Other bank balances/deposits

The Company held cash equivalents and other bank balances/deposits of INR 1,056.38 lakhs at March 31, 2018 (March 31, 2017: INR 985.46 lakhs). The cash equivalents and other bank balances/deposits are held with bank counterparties with good credit ratings.

iii. Liquidity risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

iv Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

v Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves . The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

28 Contingent liabilities and capital commitment

a) Contingent liabilities:- NIL

29 Payment to the auditors

	Year ended 31st March, 2018 in ₹	Year ended 31st March, 2017 in ₹
As auditors - Statutory audit	45,000	45,000
Tax audit	25,000	25,000
Management Consultancy	30,000	30,000
For other services	20,000	20,000
Reimbursement of expenses	13,400	1,000
	<b>1,33,400</b>	<b>1,21,000</b>

30 There are no amounts due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006; this information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose. This has been relied upon by the auditors.

31 Segment information

Primary business segments

The Group has organized its operations into two business segments: Toll Collection and Construction

Toll Collection:

Collection of toll as per the contracts entered with various Government authorities and providing road, repair and maintenance of flyovers, roads and allied structures to its subsidiaries.



**Construction:**

Construction of roads as per the Engineering, Procurement and Construction (EPC) Contracts entered into for execution.

The following tables present revenue and profit information regarding the business segments for the year ended March 31, 2018 and certain asset and liability information regarding industry segments as at March 31, 2018

**A. Information about reportable segments**

Particulars	Toll Collection	Construction	Total Segments
<b>Revenue</b>			
External Customers	1,70,92,35,165	4,29,81,087	1,75,22,16,252
Inter-segment	-	-	-
<b>Total Revenue</b>	1,70,92,35,165	4,29,81,087	1,75,22,16,252
<b>Segment profit / (loss) before exceptional items and tax</b>	<b>48,01,94,639</b>	<b>79,20,006</b>	<b>48,81,14,644</b>
Identifiable operating expenses	-	3,50,61,081	3,50,61,081
Allocated expenses	-	-	-
Depreciation and amortization	1,22,90,40,526	-	1,22,90,40,526
Segment assets	6,13,52,45,154	1,85,23,056	6,15,37,68,210
Segment liabilities	5,78,51,33,526	1,05,22,193	5,79,56,55,719
Capital expenditure	-	-	-

**B. Reconciliation of information on reportable segments to Ind AS**

Particulars	Note	As at March 31, 2018
Total profit before exceptional items and tax for reportable segments		48,81,14,644
Unallocated amounts:		
- Other Expenses		(21,58,20,580)
- Other Income		23,60,801
Total profit before exceptional items and tax from operations		27,46,54,865

**32 Related Party Disclosure****A) Names of related parties where control exists****Holding Company:**

SMS Limited ( Formerly SMS Infrastructure Ltd)

**Associate Concern**

SMS Parking Solution Private Limited

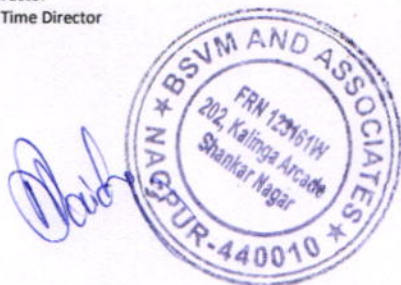
**Enterprise having Significant Influence:**

San Finance Corporation

**Key management personnel:**

Mr. Vijay Kisanlal Sancheti, Whole Time Director

Mr. Dattatraya Laxmanrao Kinage, Whole Time Director



Disclosures of material transactions with related parties and balances

Name of the related party	Nature of transactions	Volume of Transactions during the year in Rs.	Outstanding	
			Receivable in ₹	
SMS Limited (Formerly SMS Infrastructure Limited)	Reimbursement of expenses	62,239 (50,141)	- (-)	
	Construction Contract ( Change Of Scope)	1,63,82,376 (7,92,12,132)	- (-)	
	Overlay Expenses	9,86,29,420 (45,00,44,458)	- (-)	
	Vehicle Hire Charges	11,77,404 (-)	- (-)	
	Payment of BG commission	78,71,451 (43,47,250)	- (-)	
	Legal Expenses	- (3,59,884)	- (-)	
	Consultancy Charges	- (20,70,000)	(-) (-)	
	Inter Coporate deposit (Given)	- (40,45,00,000)	37,90,00,000 (40,45,00,000)	
	Inter Coporate deposit (Repayment Received)	2,55,00,000 -	- -	
	Mobilisation advances*	9,74,94,929 (11,26,91,204)	9,74,94,929 (11,26,91,204)	
	Dividend Paid	1,60,00,000 (-)	- (-)	
	SMS Parking Solution Private Limited	Rent & Repair maintenance	14,29,449 (11,41,605)	- (-)
		Legal Expenses	- (2,00,000)	- (-)
		Mr. Vijay Kisanlal Sancheti, Whole Time Director	Salary	16,13,580 (15,23,580)
Ex gratia Payment	- (37,20,275)		- (-)	
Loan given	9,60,000 (-)		- (-)	
Bonus	1,34,465 (-)		- (-)	
Mr. Dattatraya Laxmanrao Kinage, Whole Time Director	Salary		28,68,852 (19,93,848)	- (-)
	Bonus	1,95,000 (-)	- (-)	
	Conveyance Reimbursement	2,40,000 (-)	- (-)	
	Other Advances for expenses Mr. Vijay Kisanlal Sancheti, Whole Time Director	Advances	- (40,00,000)	- (40,00,000)
Mr. Dattatraya Laxmanrao Kinage, Whole Time Director		Advances	- (23,00,000)	- (23,00,000)

Footnotes:

- (i) Figures in brackets are the corresponding figures in respect of the previous year.  
(ii) #Mobilization Advance is in respect of Overlay expenses and Change of scope Work.



- 33 Basic earnings per share have been calculated by dividing profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has not issued any potential equity shares and accordingly, the basic earnings per share and diluted earnings per share are the same. Values used in calculating earnings per share are as under:

Particular	Year ended	Year ended
	31st March, 2018	31st March, 2017
(a) Numerator: Profit after tax (in ₹)	21,70,33,121	5,41,44,576
(b) Denominator:		
Weighted average number of equity shares	1,60,00,000	1,60,00,000
(c) Basic, as well as diluted, earnings per equity share (in ₹)	13.56	3.38

34 Capital Commitments

Particular	Year ended	Year ended
	31st March, 2018	31st March, 2017
Estimated amount of contracts remaining to be executed on capital account(Overlay) (net of advances)	3,64,03,075	19,41,79,753

35 Employee Benefits

A. Defined Contribution Plan

The Company makes provident fund, Employees State Insurance and Maharashtra Labour Welfare Fund contributions for eligible employees Under the schemes, the Company is required to contribute a specified percentage / fixed amount of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the respective fund set up by the government authority.

The Company has recognised the following amounts in the Statement of Profit and Loss for the year \*

Particular	Year ended	Year ended
	31st March, 2018	31st March, 2017
Employer's contribution to Provident Fund	31,55,989	27,78,833
Employer's contribution to Employee state Insurance Corporation	3,86,984	3,11,084
Total	35,42,973	30,89,917

B. Defined Benefit Obligations - Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

TABLE I: ASSUMPTIONS

Assumptions	Year ended	Year ended
	31st March, 2018	31st March, 2017
Discount Rate	7.44% per annum	7.00% per annum
Rate of Increase in Compensation Levels	7.00% per annum	NA
Rate of Return on Plan Assets	NA	NA

TABLE II: CHANGES IN PRESENT VALUE OF OBLIGATIONS

Particular	Year ended	Year ended
	31st March, 2018	31st March, 2017
Opening of defined benefit obligations	33,81,489	NA
Service Cost	15,59,152	NA
Interest Cost	2,36,704	NA
Benefit paid	(49,327)	NA
Actuarial (Gain)/Loss on total liabilities	NA	NA
Closing of defined benefit obligations	51,28,018	33,81,489

TABLE III: THE AMOUNT TO BE RECOGNIZED IN BALANCE SHEET STATEMENT

Particular	Year ended	Year ended
	31st March, 2018	31st March, 2017
Present Value of Obligations	51,28,018	33,81,489
Fair Value of Plan Assets	-	-
Net Obligations	51,28,018	33,81,489
Amount not recognized due to Asset Limit	-	-
Net Defined Benefit Liability/(Assets) recognized in Balance Sheet	51,28,018	33,81,489

TABLE IV: EXPENSE RECOGNIZED IN STATEMENT OF PROFIT & LOSS

Particular	Year ended	Year ended
	31st March, 2018	31st March, 2017
Service Cost	15,59,152	NA
Net Interest Cost	2,36,704	NA
Expense recognized in Statement of Profit & Loss	17,95,856	NA

TABLE V: CHANGE IN NET DEFINED OBLIGATIONS

Particular	Year ended	Year ended
	31st March, 2018	31st March, 2017
Opening of Net Defined Benefit Liability	33,81,489	NA
Service Cost	15,59,152	NA
Net Interest Cost	2,36,704	NA
Re-measurements	-	-
Contribution Paid to Fund	(49,327)	NA
Closing Net Defined Benefit Liability	51,28,018	33,81,489





36 General:

- A. The figures have been rounded off to the nearest rupee.
- B. Any other accounting policy not specifically referred to are consistent with Indian GAAP.
- C. Previous year figures are regrouped / reclassified wherever necessary.

For and On Behalf of the Board of Directors  
Ayodhya Gorakhpur SMS Tolls Private Limited

  
Dattaraya Kinage  
Director  
DIN: 00186353



Dilip Surana  
Director  
DIN:00953495



