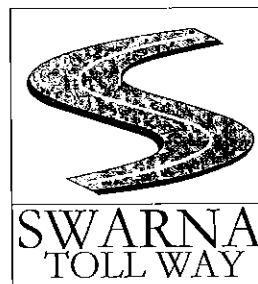


**SWARNA TOLLWAY PRIVATE LIMITED**

**SEVENTEENTH ANNUAL REPORT**

**2017-2018**



**SWARNA TOLLWAY PRIVATE LIMITED**

4<sup>TH</sup> FLOOR, 'C' BLOCK, TSR TOWERS, D.No. 6-3-1090,  
RAJBHAVAN ROAD, SOMAJIGUDA,  
HYDERABAD – 500082,  
TELANGANA

## **BOARD OF DIRECTORS**

**Mr. Naren Babu Karanam**  
**Mr. Harjeet Singh Daya Singh**  
**Mr. Deep Gupta**

- **Director**  
- **Director**  
- **Director**

## **AUDITORS**

M/s. M.K. Dandekar & Co  
Chartered Accountants,  
No. 7, 3<sup>rd</sup> Floor,  
Wellington Estate,  
No. 53, Ethiraj Salai,  
Egmore,  
Chennai - 600008

## **REGISTRAR AND TRANSFER AGENT,**

**KARVY Computershare Pvt. Ltd,**  
Karvy Selenium Tower B, Plot No.31-32  
Gachibowli, Financial District,  
Nanakramguda,  
Hyderabad-500 032,  
India,  
Tel.: 040-67162222, Fax: 040-23431551

## **DEBENTURE TRUSTEE**

### **CATALYST TRUSTEESHIP LIMITED**

#### **Registered Address:**

GDA House Plot No-85 Bhusari Colony,  
Paud Road, Pune-411 038, Maharashtra  
Tel No.: 020-2528008  
Fax: 020-25280275  
Contact person: Deesha Trivedi  
Website: [www.catalysttrustee.com](http://www.catalysttrustee.com)  
Email: [dt@ctltrustee.com](mailto:dt@ctltrustee.com)

#### **Corporate Office**

No. 83 – 87,  
8th floor , 'Mittal Tower',  
'B' Wing,  
Nariman Point,  
Mumbai – 400021



# **SWARNA TOLLWAY PVT. LTD.**

## **NOTICE**

Notice is hereby given that the 17<sup>th</sup> Annual General Meeting of the members of Swarna Tollway Private Limited will be held on Friday, the 29<sup>th</sup> June, 2018 at 11.00 A.M. at the Registered Office of the Company situated at 4<sup>th</sup> Floor, 'C' Block, TSR Towers, 6-3-1090, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana, India, to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2018 and the Reports of the Directors and Auditors thereon.
2. To confirm the Interim Dividends for the year 2017-2018;
  - A. **"RESOLVED THAT** the Interim Dividend of Rs. 1/- per equity share declared by the Board of Directors of the Company on 1<sup>st</sup> November, 2017, on 27,00,00,000 Equity Shares of Rs.10/- each amounting to Rs. 32,49,65,647 /- (inclusive of Dividend Distribution Tax amounting Rs. 5,49,65,647/-) during the year 2017-2018 and paid to the shareholders as on 31<sup>st</sup> October, 2017, be and is hereby confirmed."
  - B. **"RESOLVED THAT** the Interim Dividend of Rs. 1.50 /- per equity share declared by the Board of Directors of the Company on 2<sup>nd</sup> April, 2018, on 27,00,00,000 Equity Shares of Rs. 10/- each amounting to Rs. 48,74,48,470 /- (inclusive of Dividend Distribution Tax amounting Rs. 8,24,48,470/-) and paid to the shareholders as on 31<sup>st</sup> March, 2018, be and is hereby confirmed."
3. To appoint a Director in place of Harjeet Singh Daya Singh (DIN No. 05258605), who retires by rotation and being eligible, offer himself for reappointment.
4. To ratify the appointment of M/s. M.K. Dandekar & Co., Chartered Accountants, Chennai (Firm Registration No. 000679S) Statutory Auditors of the Company.

To consider and if thought fit to pass the following resolution with or without modification(s) as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and all other applicable provisions contained under the Companies Act, 2013, read with relevant Rules made thereunder, and pursuant to the resolution passed by the Members in their 15<sup>th</sup> AGM held on 18.08.2016, M/s. M.K. Dandekar & Co., Chartered Accountants, Chennai (Firm Registration No. 000679S), who were appointed as the Statutory Auditors of the Company to hold the office as such for a period of 5 years i.e. till the conclusion of 20<sup>th</sup> Annual General Meeting of the Company, be and is hereby ratified and the Board of Directors of the Company be and are hereby authorised to fix the remuneration payable to the Statutory Auditors."

### **SPECIAL BUSINESS**

5. To ratify the remuneration of M/s. N.V.S. Kapardhi & Associates, Cost Auditor:

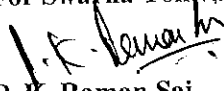
To consider and if thought fit to pass the following resolution with or without modification as an ordinary resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, and as amended from time to time, and such other permissions as may be necessary, the remuneration of Rs. 25,000/- (Rupees Twenty-Five Thousand Only) plus applicable Taxes and reimbursement of out of pocket expenses at actuals to M/s. N.V. S. Kapardhi & Associates, who were appointed by the Board of Directors of the Company, as "Cost Auditors" to conduct the



audit of the cost records maintained by the Company for Financial Year ending 31<sup>st</sup> March, 2019, be and is hereby ratified and approved.”

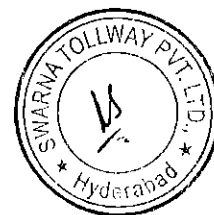
**By Order of the Board  
For Swarna Tollway Private Limited**

  
**P. K. Raman Sai  
Company Secretary  
ACS 16344**

Place: Hyderabad  
Date : 23<sup>rd</sup> May, 2018

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting in respect of item No. 5 is annexed hereto and forms part of notice.
2. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share Capital of Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the Meeting.
3. A Proxy Form is annexed to this notice. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
4. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
5. Route Map to the Venue of the meeting is annexed hereto to this Notice.
6. The Notice of AGM, Annual Report and Proxy Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s)
7. Information in respect of Mr. Harjeet Singh Daya Singh, Director seeking re-appointment, as required under the Secretarial Standards on General Meetings (SS-2) issued by ICSI is attached herewith.



**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.**

**ITEM NO. 5.**

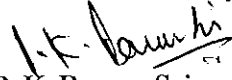
The Board of Directors of your Company has appointed M/s. N.V.S. Kapardhi & Associates, Cost Accountants, Hyderabad as "Cost Auditors" to conduct the audit of the cost records maintained by the Company for Financial Year ending March 31, 2019 at a remuneration of Rs. 25,000/-, plus applicable taxes if any and reimbursement of out of pocket expenses at actuals.

Pursuant to the provisions of Section 148, and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, the said payment of the remuneration shall be subject to your ratification in the General Meeting.

Hence, the resolution is recommended for your consideration and approval.

None of your Directors, your Key Managerial Personnel or their respective relatives are concerned or interested, whether financially or otherwise in passing of the said resolution.

**By Order of the Board  
For Swarna Tollway Private Limited**

  
**P. K. Raman Sai  
Company Secretary  
ACS 16344**

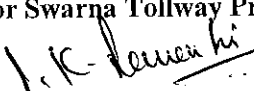
Place: Hyderabad  
Date : 23<sup>rd</sup> May, 2018



**Information in respect of Director seeking appointment / re-appointment as required under the Secretarial Standards on General Meetings issued by ICSI:**

<b>Name of the director</b>	Mr. Harjeet Singh Daya Singh
<b>Date of Appointment including terms and conditions of appointment</b>	N. A (retirement by rotation U/s 152)
<b>Date of first appointment on the Board</b>	13/10/2015
<b>Date of Birth</b>	05/08/1975
<b>Expertise in Specific Functional areas</b>	Finance & Accounts
<b>Educational Qualification</b>	C.A
<b>Directorships in other Companies</b>	As per annexure
<b>Membership / Chairmanships of committees of Other Boards (other than the Company)</b>	NIL
<b>Details of Remuneration sought to be paid and the remuneration last drawn by such person</b>	NIL
<b>Shareholding in the Company as on 31.03.2018</b>	NIL
<b>Relationship between Directors inter-se</b>	None of the Director is related to each other.
<b>Number of Meetings of the Board attended during the year</b>	4

By Order of the Board  
For Swarna Tollway Private Limited

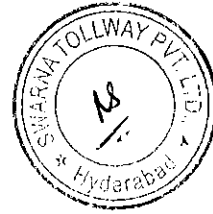
  
P. K. Raman Sai  
Company Secretary  
ACS 16344



Place: Hyderabad  
Date : 23<sup>rd</sup> May, 2018

Annexure

S. No	Name of the Company	Nature of interest or concern
1	GVK Gautami Power Limited	Director
2	Swarnandhra Roadcare Private Limited	Director
3	Roadstar (India) Infrastructure Private Limited	Director
4	Ijm Lingamaneni Township Private Limited	Director
5	Swarnandhra-Ijmii Integrated Township Development Company Private Limited	Director
6	IJM Steel Products Private Limited	Director
7	IJM (India) Geotechniques Private Limited	Director



Form No. MGT-11

Proxy form

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

CIN:

Name of the company:

Registered office:

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:....., or failing him

2. Name: .....

Address:

E-mail Id:

Signature:....., or failing him

3. Name: .....

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the .....Annual general meeting/ Extraordinary general meeting of the company, to be held on the ..... day of..... At..... a.m. / p.m. at.....(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. 1.....

2.....

3.....

4.....

5.....

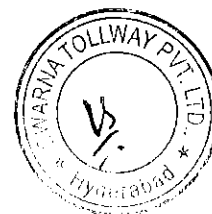
Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

Note: 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.

Affix  
Revenue  
Stamp





## Route Map



## DIRECTORS' REPORT

To  
The Shareholders  
Swarna Tollway Private Limited

Your Directors have pleasure in presenting the 17<sup>th</sup> Annual Report together with Audited Financial Statements for the accounting period ended 31<sup>st</sup> March, 2018.

### Financial Highlights:

The Performance of the company for the financial year ended 31<sup>st</sup> March, 2018 is summarized below:  
(Rs. in Crs.)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Income from Operations	188.22	160.22
Other Income	7.35	13.53
Maintenance, Operating & Administration Expenses	71.99	34.69
Profit/ Loss before Depreciation, Interest and Tax	123.58	139.06
Finance Charges	12.78	17.03
Depreciation	22.60	21.38
Tax - (Min. Alternate Tax)	18.82	21.25
MAT Credit Entitlement	(18.82)	(21.25)
Net Profit / (Loss) carried to Balance Sheet	88.20	100.67

#### Note:

The Company has adopted Ind AS from 1<sup>st</sup> April 2017 and the previous year numbers have been restated accordingly.

During the year under review, the Toll Collections and Traffic has increased by 17.47% and 13.60 % respectively against previous year (YOY). Though, the increase in traffic and revenue during financial year 2017-2018 appears to be high due to suspension of toll collection at toll plazas by NHAI through out India from 09<sup>th</sup> November, 2016 to 02<sup>nd</sup> December, 2016 due to demonitisation of Rs. 500/- and Rs. 1000/- currency notes whereas the actual increase in revenue is mainly due to increase in toll fee by 6% and traffic by 6%. Your Company has recorded Profit of Rs. 88.20 Crores against a profit of Rs. 100.67 Crores recorded in last financial year. The profit for the year 2017-18 is after making provision for periodic maintenance of Rs. 32.50 crs which was not there in the last year.

Your Company has accorded its consent to NHAI to award contracts to third parties for commencement of permanent restoration works at NH-5 that were damaged due to floods during the F.Y. 2015-2016.

Further, during the year under review, subsequent to consent accorded by your Company to undertake additional tolling at Nellore By-pass, NHAI has shared the draft supplementary agreement. A meeting was convened on 24/07/2017 at NHAI Head quarter wherein Concessionaire's concern on the draft agreement were discussed and it was agreed to incorporate the agreed resolution in the draft agreement, the updated draft agreement has been submitted to NHAI. Confirmation of NHAI is awaited.

During the year under review, NHAI has directed the Company to implement Hybrid ETC System in all lanes at Toll Plazas as part of its efforts to implement E-tolling in India. Your Company has sought



certain clarifications from NHAI before the execution of Supplementary Agreement to Concession Agreement for implementation of Hybrid ETC System.

Your Company during the year under review as part of refinancing exercise to reduce interest, had availed loan facility of Rs.94.50 Crores from M/s. ICICI Bank in the form of Non Convertible Debentures and repaid its existing Rupee Term Loan and Non Convertible Debentures issued during F.Y. 2013-2014.

It is proposed to transfer an amount of Rs. 3,64,33,274/- to Debenture Redemption Reserve for the Financial Year ended 31st March, 2018. It is informed that Fixed Assets of gross value Rs. 59,68,776/- and Net Value of Rs 27,471 as on 31st March 2018 comprising of office equipment, furniture and fixtures, vehicles and computers of the company, which are no longer in use, have become obsolete and non-usable and written off from the books by your Company.

Further, no material changes and commitments have occurred after the close of the year till the date of this Report, which may have affected the financial position of the Company, except the following:

The Members may also note that status quo remains in relation to disallowance of depreciation on carriageways, by Income Tax Department. The Appeal filed by Income Tax Department before Hon'ble High Court of Telangana & Andhra Pradesh against the orders passed by Hon'ble Income Tax Appellate Tribunal in relation to favourable orders of Assessment Years 2005-06 to 2010-11 is not yet posted for hearing. In relation to disallowance of depreciation for the Assessment Year 2011-12, the Appeal posted before the Hon'ble Income Tax Appellate Tribunal, Hyderabad was heard and the said Appeal was dismissed by Hon'ble Income Tax Appellate Tribunal, Hyderabad.

#### Capital Structure:

There is change in the Share capital of the Company during the year under review. The 9 % Compulsory Convertible Cumulative Preference share capital of Rs. 20 Crores was converted into Equity Shares w.e.f. 20<sup>th</sup> June, 2017. The Capital structure of your Company stands revised as follows as on date of this Report:

#### Share Capital:

Sl. No.	Particulars	At the beginning of the year (Amt. in Rs.)	At on date of this Report (Amt. in Rs.)
1	<b><u>Authorised Capital:</u></b>	<b><u>270 Crores</u></b>	<b><u>290 Crores</u></b>
	Equity Share Capital	250 Crores	270 Crores*
	Preference Share Capital	20 Crores	20 Crores
2	<b><u>Issued, Subscribed &amp; Paid up Capital:</u></b>	270 Crores	270 Crores**
	Equity Share Capital	250 Crores	270 Crores
	Preference Share Capital	20 Crores	----

\* w.e.f 5<sup>th</sup> June, 2017 the Authorised Equity Share Capital is increased by Rs. 20 Crores from existing Rs. 250 Crores to Rs. 270 Crores.

\*\* Since the 9 % Compulsory Convertible Cumulative Preference share capital of Rs. 20 Crores is converted to Equity Shares w.e.f. 20<sup>th</sup> June, 2017.

#### Nature of Business :

There was no change in the nature of Business of your Company during the Financial Year ended 31<sup>st</sup> March, 2018.

12/15

**Dividend:**

Further, your Company has also paid Interim Dividend two times during the year under review. The first interim dividend of Rs. 1/- per equity share on 27,00,00,000 Equity Shares amounting to Rs. 32,49,65,647 /- (inclusive of Dividend Distribution Tax amounting Rs. 5,49,65,647/-) was paid to the shareholders as on 31<sup>st</sup> October, 2017. The Second interim dividend of Rs. 1.50 /- per equity share on 27,00,00,000 Equity Shares amounting to Rs. 48,74,48,470 /- (inclusive of Dividend Distribution Tax amounting Rs. 8,24,48,470/-) was paid to the shareholders as on 31<sup>st</sup> March, 2018. Both payments are proposed for the confirmation by the Shareholders at the ensuing Annual General Meeting.

**Subsidiaries / Joint Ventures Or Associate Companies:**

Your Company does not have any Subsidiary or Joint Venture or Associate Company as on date.

Further, during the Financial Year ended 31<sup>st</sup> March, 2018 no Company became a Subsidiary or a Joint Venture or an Associate of your Company.

**Fixed Deposits**

Your Company has not accepted any deposits and, as such, no amount of principal or interest was outstanding as at the date of Balance Sheet.

(a) accepted during the year; - Nil

(b) remained unpaid or unclaimed as at the end of the year; - Nil

(c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- Nil

(i) at the beginning of the year; Nil

(ii) maximum during the year; Nil

(iii) at the end of the year; Nil

**Directors / Key Managerial Personnel:**

Mr. Naren Babu Karanam was re-appointed as Director of the Company and Mrs. Shubhangini Subramaniam were appointed as Director of the Company at the previous Annual General Meeting held on 27<sup>th</sup> June, 2017. Mrs. Shubhangini Subramaniam has resigned as Director w.e.f 11<sup>th</sup> May, 2018.

Pursuant to Section 152 of the Companies Act, 2013, Mr. Harjeet Singh Daya Singh, Director is liable to retire by rotation and being eligible offers himself for re- appointment at the ensuing Annual General Meeting.

During the year under review, there are no changes in the Key Managerial Personnel.

**Auditors:****Statutory Auditors:**

As the Members are aware, at the 15<sup>th</sup> Annual General Meeting (AGM) held on 18.08.2016, M/s. M.K. Dandekar & Co. Chartered Accountants, Chennai (Firm Registration No. 000679S), were appointed as Statutory Auditors of the Company for a period of 5 years, to hold the office as such till the conclusion of the 20<sup>th</sup> AGM of the Company. In terms of the provisions of Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every AGM. Accordingly, the appointment of M/s. M.K. Dandekar & Co., Chartered Accountants, as the Statutory Auditors of the Company, is

placed for ratification of the Shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if the said firm is reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

#### **Cost Auditor:**

Your company, in compliance of Section 148 of the Companies Act, 2013, has appointed M/s. N.V.S. Kapardhi & Associates, Cost Accountants as the Cost Auditors of the Company for F.Y. 2018-19. Further a resolution forms part of the Notice to the ensuing 17<sup>th</sup> Annual General Meeting for ratification of his remuneration.

#### **Internal Auditor :**

Your Company during F.Y 2017-2018 had appointed M/s Ernst & Young, LLP, as Internal Auditors. M/s. Ernst & Young, LLP, had conducted internal audit during the year and submitted their internal audit report to the Company. Your Company proposes to re-appoint M/s Ernst & Young, LLP, as Internal Auditors for F.Y. 2018-2019.

#### **Secretarial Auditor:**

Pursuant to provision of section 204 of the Companies Act, 2013 and the Companies ( Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s P.S. Rao & Associates ( M. No .15116 & C.P. No..5246) Company Secretaries in practice, Hyderabad as Secretarial Auditors for the F.Y 2017-2018. M/s. P.S. Rao & Associates has conducted Secretarial audit for the year and submitted their Secretarial audit report to the Company. The Copy of said Report is enclosed herewith **Annexure – V** to this report. Your Company proposes to re-appoint M/s. P.S. Rao & Associates, as Secretarial Auditors for F.Y. 2018-2019.

<b>Auditor Observation</b>	<b>Director Explanation</b>
The Company is yet to create a charge and provide asset cover in respect of its 945, 8.5% Secured rated listed redeemable Non-convertible Debentures of Rs.10 lacs each issued by it during the year under review. We have been informed that the said matter is in concurrence with the extension of time provided by the Debenture Trustees.	The draft financial documents are pending for NHA approval and RBI approval for pledge creation is awaited. The Company has secured extension of time from Lenders and Debenture Trustee for creation of charge and eventual asset cover
The Cess deducted/ collected in respect of Building and Other Construction Workers' Welfare Cess Act, 1996 during the year under review in one instance was belatedly deposited.	The Cess under consideration pertains to the periodic maintenance. The works under consideration were completed by March 31, 2018, the process of bill verification and quantification of cess amount to be remitted took some time, including statutory auditor's verification and accordingly cess under consideration was paid on 10 <sup>th</sup> May, 2018.

#### **Internal Financial Control:**

The Company has adequate system of internal financial controls with reference to financial statements. All the transactions were properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of account and reporting in the financial statements. Your Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business. Your Company has also adopted Standard Operating Procedures (SOP) in relation to various business functions that were approved by the Board and the said SOP(s) are implemented by the Company.

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

The particulars as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are as follows:



A. Conservation of Energy :

- (i) the steps taken or impact on conservation of energy; - LED lighting were installed in project stretch.
- (ii) the steps taken by the company for utilizing alternate sources of energy; - Solar powered Blinkers, Panels, were installed at project stretch.
- (iii) the capital investment on energy conservation equipments; - NIL

B. Technology Absorption: Not Applicable

- (i) the efforts made towards technology absorption;
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  - (a) the details of technology imported;
  - (b) the year of import;
  - (c) whether the technology been fully absorbed;
  - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) the expenditure incurred on Research and Development.

C. Foreign Exchange Earnings and Outgo during the year

- (i) Foreign Exchange Earned : Nil
- (ii) Foreign Exchange Outgo : Rs. 6,23,038/-

**Directors' Responsibility Statement:**

Pursuant to the provisions of Section 134 (3) (c) and Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that :

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed and that there are no material departures;
- (ii) they 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 and loss of the Company for that period ;
- (iii) they had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they had prepared the annual accounts on a going concern basis.
- (v) proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively.
- (vi) they had devised proper systems that ensure compliance with the provisions of all the applicable laws and that such systems were adequate and operating effectively.

**Extract Of Annual Return:**

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed Format is appended as *Annexure – I* to this Report.

**Number of Board Meetings:**

12/12/15

The Board of Directors met 5 (Five) times in the financial year 2017-2018. The details of the dates of meeting and Directors attendance are as below:

S. N o.	Date of Board Meeting	Directors Attendance			
		Mr. Naren Babu Karanam	Mr. Harjeet Singh Daya Singh	Mr. Deep Gupta	Mrs. Shubhangini Subramaniam (Resigned w.e.f. 11 <sup>th</sup> May, 2018)
1	23.05.2017	√	√	----	----
2	20.06.2017	√	√	----	----
3	16.08.2017	√	----	√	----
4	01.11.2017	√	√	----	----
5	16.01.2018	√	√	----	----

#### Dematerialization of shares:

As on date of this Report, the entire share capital of your Company is held in Demat mode.

#### Debentures

Your Company during the year under review issued 945 Rated, Secured, Listed, Redeemable Non – Convertible Debentures of Rs. 10,00,000/- each aggregating Rs. 94.50 Crores in dematerialised mode under private placement as per refinancing in 3 series. Your Company was able to get the Debentures successfully listed on Wholesale Debt Market Segment of National Stock Exchange on 6<sup>th</sup> February, 2018.

#### Debenture Trustee

Pursuant to Section 71 of the Companies Act, 2013 and Companies ( Share Capital and Debentures) Rules, 2014, your Company had appointed M/s. Catalyst Trusteeship Limited, Mumbai as Debenture Trustee. The details of Debenture Trustee are as follow:-

DEBENTURE TRUSTEE	
<b>CATALYST TRUSTEESHIP LIMITED</b> <b>Registered Address:</b> GDA House Plot No-85 Bhusari Colony, Paud Road, Pune-411 038, Maharashtra Tel No.: 020-2528008 Fax: 020-25280275 Contact person: Deesha Trivedi Website: <a href="http://www.catalysttrustee.com">www.catalysttrustee.com</a> Email: <a href="mailto:dt@ctltrustee.com">dt@ctltrustee.com</a>	<b>Corporate Office</b> No. 83 – 87, 8th floor , ‘Mittal Tower’, ‘B’ Wing, Nariman Point, Mumbai – 400021

#### Company Website:-

In compliance of SEBI ( Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has successfully hosted its website under name and style “www.swarnatollway.com”. All the information that is to be disclosed under the regulations viz a viz, Audited/ Unaudited Financial Results, details of constitution of Board, company policies, CSR activities undertaken by the Company etc., are hosted on the website.

#### Related Party Transactions:

12/18

During the Financial year under review, your Company has acquired an immovable property admeasuring 4.49 acres at Bhudanam village, Nellore Dist, from IJM India Infastrucutre Ltd., a related Party. Further, the contract entered into with M/s. MIRA India Management Services Pvt. Limited to avail Management & Consultancy services remained in force during the year unde review. The details of the said transactions are provided in the Form AOC – 2 appended hereto as **Annexure – II** .

Pursuant to Regulation 53 (f) of SEBI ( Listing Obligations & Disclosure Requirments) Regulations, 2015 the following disclosure is made hereto:

**A. Related Party Disclosure:**

We are making this disclosures in compliance with the Accounting Standard on -Related Party Disclosures.

Sr. no.	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.	Disclosure by the Company
1	Holding Company	<ul style="list-style-type: none"> <li>Loans and advances in the nature of loans to subsidiaries by name and amount.</li> <li>Loans and advances in the nature of loans to associates by name and amount.</li> <li>Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.</li> </ul>	Not Applicable
2	Subsidiary	Same disclosures as applicable to the parent company in the accounts of subsidiary company.	Not Applicable
3	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	Not Applicable

**Corporate Social Responsibility:**

During the year under review, as on 31<sup>st</sup> March, 2018, your Company has incurred an amount of Rs.93,60,218/- as a part of CSR activities for the Financial Year 2017-2018, as against the amount of Rs. 86,69,903/- computed as per Section 135 of the Companies Act, 2013. The Company has undertaken CSR activities for Safety Awareness, Rural Development and Promoting Education, in its project stretch. Consistent with the adopted CSR Policy, the Company is exploring to undertake additional CSR activittes for a wider coverage in future.

Detailed information in relation to above stated activities under Corporate Social Responsibility are stated in the **Annexure –III** enclosed with this report. the CSR Policy is annexed herewith as **Annexure - IV** to this Report and also available on the Company's website.

The details of CSR Meeting held during the year under review are as follows:-

S.No.	Date of the Meeting	CSR Committee Meeting Attendance	
		Mr. Naren Babu Karanam	Mr. Harjeet Singh Daya Singh
1	16 <sup>th</sup> January, 2018	√	√

12/1/18



**Vigil Mechanism:**

Your Company has vigil mechanism in place, which also incorporates a Whistle Blower Policy for our Directors and employees to report genuine concerns, including but not limited to unethical behavior, actual or suspected fraud or violation of the Code of Conduct in terms of Section 177 (10) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014. Your Company has nominated Mr. Naren Babu Karanam, Director as the reporting authority under Vigilance Mechanism, in accordance with sec.177 (9) of the Companies Act, 2013, read with Rule 7 of the Companies (Meeting of Board and its powers) Rules, 2014. The Vigil Mechanism Policy is annexed herewith as *Annexure – VI*.

**Board Committees**

During the year under review, you Company, has the Internal Complaints Committee in compliance with the provision of the Sexual Harassment of Women at Workplace ( Prevention, Prohibition and Redressal) Act, 2013, and filed the relevant returns with the Authority. You may also note that during the year under review, there were no cases reported to the Committee. Since Section 149 of the Companies Act, 2013 is not applicable to the Company, it did not appoint any Independent Directors and did not constitute any sub committees.

**Particulars of Employees:**

The Company does not have any employee whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**Loans, Guarantees or Investments:**

Your Company has not given any loan or made investment or given guarantee or provided security as contemplated under Section 186 of the Company.

**Risk management Policy:**

A risk management policy has been devised and adopted by the Board.

Pursuant to the said policy, the Board (a) oversees and approves the Company's enterprise wide risk management framework and (b) oversees that all the risks that the organization may face such as stock market risks, investments risks, financial, liquidity, security, legal, regulatory, reputational and other risks have been identified and assessed and ensures that there is an adequate risk management mechanism in place capable of addressing those risks.

The policy aims at sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.

**General:**

During the F.Y. ended 31.03.2018, no orders were passed by the regulators or courts or tribunals impacting the going concern status and companies operations in future.

**Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Work Place:**

The Company strongly supports the rights of all its employees to work in a harassment – free environment. It has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and

12/ AS

for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure. It has also constituted an Internal Committee, known as Anti Sexual Harassment Committee to address the concerns and complaints of sexual harassment and to recommend appropriate action.

We further confirm that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The necessary return under the Act, were filed by the Company for the year under review.

**Significant or Material Orders Passed by the Regulators or Courts:**

There are no orders passed by the Regulators / Courts which would impact the going concern status of your Company and its future operations. Further, it is confirmed that there were no instances of fraud to be reported by the Auditors vide their Report for the FY 2017-18.

**Acknowledgements**

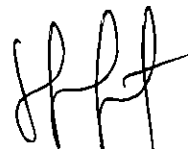
Your Directors place on record their appreciation for the support extended by National Highways Authority of India, Lenders and various other government agencies. Your Directors take this opportunity to record their appreciation of the continuous support and contribution from all the employees of the Company and the Shareholders.

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

Place: - Hyderabad  
Date : - 23<sup>rd</sup> May, 2018



**Naren Babu Karanam**  
Director  
DIN No. 03295872



**Harjeet Singh Daya Singh**  
Director  
DIN No. 05258605

**Annexure I to Director Report**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31/03/2018**

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN: -**U45203TG2001PTC036706**
- ii) RegistrationDate:**11/05/2001**
- iii) Name of the Company: **Swarna Tollway Private Limited**
- iv) Category/Sub-Category of the Company: **Private Company / Limited by shares**
- v) Address of the Registered office and contact details :**4<sup>th</sup> Floor, 'C' Block, TSR Towers,  
D.No.6-3-1090, Rajbhavan Road, Somajiguda, Hyderabad – 500082, Telangana, India.**  
Mail id: **ramansai@swarnatoll.com**
- vi) Whether listed company **No**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any  
**KARVY Computershare Pvt. Ltd,  
Karvy Selenium Tower B, Plot No.31-32  
Gachibowli, Financial District, Nanakramguda,  
Hyderabad-500 032,  
India,  
Tel.: 040-67162222, Fax: 040-23431551**

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Construction	42101 – Construction and Maintenance of Toll roads as per NIC 2008 code	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	<b>MAIF Investments India 3 Pte. Ltd</b> 10 Marina Boulevard, #17-01 Tower 2 Marina Bay Financial Centre, Singapore 018983	20152659 1N	MAIF Investments India 3 Pte. Ltd. is the Holding company of the Company.	70%	Sec .2(46)
2	<b>CIDB Inventures Sdn. Bhd</b> Regd. Office: 2 <sup>nd</sup> Floor, Wisma IJM, Jalan Shook Lin , 46050, Petaling Jaya, Selangor, Darul Ehsan, Malaysia.	A-462295	The Company is Associate of CIDB Inventures Sdn. Bhd.	30%	Sec. 2 (6)

### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the ___ year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1)Indian									
a)Individual/ HUF									
b)Central Govt.									
c) StateGovt.(s)									
d) Bodies Corp.									
e)Banks/FI									
g) AnyOther....									
<b>Sub-total</b>									
<b>(A)(1):-</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(2)Foreign									
a)NRIs- Individuals									
b)Other- Individuals									
c)Bodies Corp.									
d)Banks/FI									
e)Any Other....									
<b>Sub-total</b>	27,00,00,000*	NIL	27,00,00,000*	100%	27,00,00,000*	NIL	27,00,00,000	100%	
<b>(A)(2):-</b>									2 Crore Pref. Shares convert ed to Equity shares. W.e.f 20.06.2

<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	27,00,00,000*	NIL	27,00,00,000*	100%	27,00,00,000*	NIL	27,00,00,000*	100%	017 NIL
	27,00,00,000*	NIL	27,00,00,000*	100%	27,00,00,000*	NIL	27,00,00,000*	100%	NIL
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt.									
d) State Govt. (s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total (B) (1):-</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>2. Non- Institutions</b>									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
<b>Sub-total (B)(2):-</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Grand Total (A+B+C)</b>	27,00,00,000*	NIL	27,00,00,000	100%	27,00,00,000*	NIL	27,00,00,000*	100%	NIL

\* At the Beginning of the Year, the above 27,00,00,000 shares consist of the following:

- 25,00,00,000 Equity Shares of Rs. 10/- each
- 2,00,00,000 9% Compulsory Convertible Preference Shares of Rs. 10/- each

\* At the End of the Year, the above 27,00,00,000 shares consist of the following:

- 27,00,00,000 Equity Shares of Rs. 10/- each

(ii) *Shareholding of Promoters*

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the compan	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	<b>M/s. CIDB Inventures Sdn Bhd</b>	75000000 equity	30%	NIL	81000000 equity	30%	NIL	30% Pref. shares were converted to Equity shares
		60000000 Pref.	30%	NIL				
2.	<b>MAIF Investments India 3 Pte. Ltd.</b>	175000000 equity	70%	30% equity	189000000 equity	70%	30% equity – 75000000 Eq. shares	70% Pref. Shares were converted to Equity shares.
		140000000 Pref.	70%	NIL				

(iii) *Change in Promoters' Shareholding (please specify, if there is no change)*

*There is change in Promoters' Shareholding during the year on conversion in class of shares had occurred.*

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the
01	<b>M/s CIDB Inventures Sdn. Bhd.</b> At the beginning of the Year	01.04.2017	Conversion of Pref. Shares to Equity	75000000 Equity 60000000 Pref	30%	75000000 Equity 60000000 Pref	30%
	Changes during the Year	20.06.2017		60000000 Pref	30%	60000000 Pref	30%
	At the end of the Year	31.03.2018		81000000 Equity	30%	81000000 Equity	30%
02.	<b>M/s MAIF Investments India 3 Pte. Ltd.</b> At the beginning of the Year	01.04.2017	Conversion of Pref. Shares to Equity	175000000 Equity 140000000 Pref.	70%	175000000 Equity 140000000 Pref.	70%
	Changes during the Year	20.06.2017		140000000 Pref.	70%	140000000 Pref.	70%
	At the end of the Year	31.03.2018		189000000 Equity	70%	189000000 Equity	70%

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs): N.A.**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For Each of the Top 10 Shareholders</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.		Share holding in beginning of the year		Cumulative share holding during they ear	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For Each of the Directors and KMP</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Datewise Increase/ Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	127,95,15,071	-	-	127,95,15,071
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total ( i+ ii+ iii)</b>	<b>127,95,15,071</b>	<b>-</b>	<b>-</b>	<b>127,95,15,071</b>
<b>Change in Indebtedness during the financial year</b>				
- Addition	94,50,00,000	-	-	94,50,00,000
- Reduction	127,95,15,071	-	-	127,95,15,071
<b>Net Change</b>	<b>(33,45,15,071)</b>	<b>-</b>	<b>-</b>	<b>(33,45,15,071)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	94,50,00,000	-	-	94,50,00,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total ( i + ii+ iii)</b>	<b>94,50,00,000</b>	<b>-</b>	<b>-</b>	<b>94,50,00,000</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTM/ Manager				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others ,specify...	NIL	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total(A)	NIL	NIL	NIL	NIL	NIL
	Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL



**B. Remuneration to other directors:**

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount			
1.	1.IndependentDirectors  · Fee for attending board committee meetings  · Commission · Others,pleasespecify	NIL	NIL	NIL	NIL	NIL
	Total(1)		NIL	NIL	NIL	NIL
2.	2.Other Non-Executive Directors          · Fee for attending board committee meetings	– Mr. Naren Babu Karanam – Mr. Harjeet Singh Daya Singh – Mr. Deep Gupta – Mrs. Shubhangini Subramaniam	NIL          Nil	NIL	NIL	NIL
	Total (2)		NIL	NIL	NIL	NIL
3.	Total (B)=(1+2)		NIL	NIL	NIL	NIL
	Total Managerial Remuneration		NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act		N.A	NIL	NIL	NIL

**C. Remuneration to Key Managerial Personnel other than MD/Manager/ WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CompanySecretary	CFO	Total
1.	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act,1961  (b)Value of perquisites u/s 17(2) Income-tax Act,1961  (c)Profits in lieu of salary under section 17(3)Income-tax Act,1961	NIL	Rs. 17,22,564/- per annum	NIL	Rs. 17,22,564/- per annum
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit -others ,specify...	NIL	NIL	NIL	NIL
5.	Others,please specify	NIL	NIL	NIL	NIL
	<b>Total</b>	<b>NIL</b>	<b>Rs. 17,22,564 /- per annum</b>	<b>NIL</b>	<b>Rs. 17,22,564/- per annum</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C.OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

For and on behalf of the Board of Directors

Place: - Hyderabad  
Date : - 23<sup>rd</sup> May, 2018

  
Naren Babu Karanam  
Director  
DIN No. 03295872

  
Harjeet Singh Daya Singh  
Director  
DIN No. 05258605

**Annexure II to Director Report**

**FORM NO. AOC -2**

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

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 transaction under third proviso thereto.

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

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	<b>M/s. MIRA India Management Services Pvt. Limited</b>
	Nature of contracts/arrangements/transaction	To avail Management & Consultancy services from M/s. MIRA India Management Services Pvt. Ltd.
	Duration of the contracts/arrangements/transaction	Continuing till terminated.
	Salient terms of the contracts or arrangements or transaction including the value, if any	Service Agreement was executed on 7 <sup>th</sup> December, 2015, for availing consultancy services from M/s. MIRA India Management Services Pvt. Ltd.
	Justification for entering into such contracts or arrangements or transactions?	Subsequent to change in Management of the Company, MAIF incorporated MIMSPL with professionals with rich experience to manage its toll assets in the Group. For better synergies and effective control over operations and maintenance, the Management & Consultancy services were awarded to MIMSPL
	Date of approval by the Board	28.10.2015
	Amount paid as advances, if any	NIL
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable. Since the value of the contract is within the limits specified under Rule 15 (3) of Companies (Meetings of Board and its powers) Rules, 2013.
2.	Name (s) of the related party & nature of relationship	<b>M/s. IJM (India) Infrastructure Limited</b>
	Nature of contracts/arrangements/transaction	Purchase of Base Camp Land
	Duration of the contracts/arrangements/transaction	One time.
	Salient terms of the contracts or arrangements or transaction including the value, if any	Purchase of Land admeasuring 4.49 acres situated at Bhudanam Village, Chillakur Mandal, Nellore for a sale consideration of Rs. 1.80 Crores.
	Justification for entering into such contracts or arrangements or transactions?	IJM acting as EPC Contractor of the Company, during construction period had purchased the said land and had set up Base Camp for its staff to facilitate its operations. Purchase of said property by STPL would facilitate synergies for developing the amenities for staff and smooth operations. Sale deed executed on 18 <sup>th</sup> May, 2017.
	Date of approval by the Board	30.04.2017

	Amount paid as advances, if any	NIL
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable. Since the value of the contract is within the limits specified under Rule 15 (3) of Companies (Meetings of Board and its powers) Rules, 2013

2. Details of contracts or arrangements or transactions at Arm's length basis: **NIL**

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	--
	Nature of contracts/arrangements/transaction	--
	Duration of the contracts/arrangements/transaction	--
	Salient terms of the contracts or arrangements or transaction including the value, if any	--
	Date of approval by the Board	--
	Amount paid as advances, if any	--

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

Place: - Hyderabad  
Date : - 23<sup>rd</sup> May, 2018

  
**Naren Babu Karanam**  
Director  
DIN No. 03295872

  
**Harjeet Singh Daya Singh**  
Director  
DIN No. 05258605

**Annexure III to Director Report**

**Details of Corporate Social Responsibility (CSR)**

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:- to undertake activities specified in Schedule VII of the companies Act, 2013 and Company Policy, more specifically for activities relating to promoting education, rural development, promoting health care, Sanitation, safety awareness and safe drinking water availability.

2. The Composition of the CSR Committee. The committee consist of following members

1. Mr. Naren Babu Karanam - Chairman

2. Mr. Harjeet Singh Daya Singh – Member

3. Average Profit before tax of the company for last three financial years: - Rs. 43,34,95,145/-

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) Rs 86,69,903/-

5. Details of CSR spent during the financial year – Rs. 93,60,218/-

(a) Total amount to be spent for the financial year; Rs. 86,69,903/-

(b) Amount unspent for financial year, if any; NIL

(c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise in Rupees	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads in Rupees	Cumulative expenditure upto to the reporting period in Rupees	Amount spent: Direct or through implementing agency*
1	Supply of Benches, Office Tables, Chairs at School at Annasagaram village in project Stretch.	Promoting Education	Annasagaram Village in Project stretch in Krishna District, Andhra Pradesh.	11,78,757	11,78,757	11,78,757	Spent Directly
2	Supply of student desks, steel office table, chair, steel Almirah, round table to a school at Kanchikacherla village For Bhavitha schools.		Kanchikacherla village For Bhavitha schools in Project stretch in Krishna District, Andhra Pradesh.	11,69,831	9,21,726	9,21,726	Spent Directly
3	Providing of hearing aids and special accessories for disabled – Kanchikacherla Providing hearing aids, wheel chairs to Bhavitha schools.		Kanchikacherla village For Bhavitha schools in Project stretch in Krishna District, Andhra Pradesh.	3,00,000	3,72,518	3,72,518	Spent Directly

4	"Let there Light" program for Electrification of Villages in Bhudanam and Keesara	Rural Development	Villages in Bhudanam and Keesara in Project stretch in Krishna & Nellore District, Andhra Pradesh.	50,70,200	46,62,155	46,62,155	Spent Directly
5	Supply of Dummy Flagman	Safety awareness	Supply of Dummy Flagman in project stretch.	8,30,400	8,30,400	8,30,400	Spent Directly
6	Road Safety Training under "First Responder" activity by Nalanda Foundation - NGO		In the project stretch in Krishna District, Andhra Pradesh.	27,00,000	13,94,662	13,94,662	Engaged, M/s Nalanda foundation in which is an NGO.
	<b>TOTAL</b>			<b>1,12,49,188</b>	<b>93,60,218</b>	<b>93,60,218</b>	

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:- NIL.

7. We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

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

Place: - Hyderabad  
Date : - 23<sup>rd</sup> May, 2018

  
**Naren Babu Karanam**  
Director  
DIN No. 03295872

  
**Harjeet Singh Daya Singh**  
Director  
DIN No. 05258605

**SWARNA TOLLWAY PRIVATE LIMITED**

**Corporate Social Responsibility Policy**

Corporate Social Responsibility is strongly connected with the principles of Sustainability. The Company is committed to operate and grow its business in a socially responsible way with a vision to be an environmental friendly corporate citizen.

It is the core corporate responsibility of Swarna Tollway Private Limited (hereinafter referred to as 'the Company') to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

The Company recognizes that its business activities have wide impact on the societies in which it operates, and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations.

The Company is responsible to continuously enhance shareholders wealth; it is also committed to its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society and hence, the company endeavors to make CSR a key business process for sustainable development.

**Guiding Principles:**

The Company is vigilant in its enforcement towards corporate principles and is committed towards sustainable development and inclusive growth. The Company constantly strives to ensure strong corporate culture which emphasizes on integrating CSR values with business objective. It also pursues initiatives related to quality management, environment preservation and social awareness. To improve the quality of life for all our communities through integrated and sustainable development in every possible way.

To implement the above guiding principles, a CSR Committee (hereinafter referred to as "Committee" ) will be consider the proposal of the Management from time to time and make suitable recommendations to the Board for implementation.

The key objectives, administration, roles, duties and responsibilities of the Committee shall be as enumerated in the Committee charter, as adopted by the Board, from time to time.

To attain its CSR objectives in a professional manner and integrated manner, the Company shall undertake any one or a combination of one or more programmes:

- Eradicating hunger, poverty and malnutrition and promote preventive health care and sanitation and making available safe drinking water.
- Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- Measures for the benefit of armed forces veterans, war widows and their dependents; training to promote rural sports, nationally recognized sports, Paralympic Sports and Olympic sports;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural Development projects;
- Slum area development;
- Promotion of Road Safety viz. Promotions of education, educating the masses and promotion of Road Safety awareness in all facets of road usage;
- Granting of scholarships to promote education and
- Such other activities as may be notified by the Central Government, from time to time.

#### **Implementation:**

This CSR Policy will be implemented from the succeeding year of a Financial Year in which the Company shows the net profits as per its audited annual financial statements. Based on the net profits, if any, every year, the CSR Committee will identify the CSR activities including the thrust areas, annual budget, planned expenditure and implementation schedule etc.

The Company's CSR Programmes may be implemented through any of the following entities/modes:

1. Company through its Personnel directly or
2. Through external implementing agencies in the form of various eligible Trusts, Foundations, Societies or Section 8 companies established or as may be established, from time to time; or
3. Such other modes as prescribed by the Committee, in lines with the CSR provisions.

The Company will specify the CSR Programmes which may be undertaken by the aforesaid entities in accordance with their respective objects and administrative processes laid down in their statutory documents.

The Committee shall give preference to its local areas and areas around where it operates for spending the amount earmarked for its CSR activities. The Committee will determine the time period/duration over which a particular programme will be spread, depending on its nature, extent of coverage and the intended impact of the programme. The Company's CSR programmes will be identified and implemented in accordance with this CSR policy ('the Policy').

The Company will monitor and evaluate every programme to ensure it has:

- A. Clearly defined objectives, targets and time lines.
- B. A robust progress monitoring system.
- C. A reporting framework and system in alignment with the Act and Rules.



The Company will identify eligible entities, proposed to conduct CSR activities, in accordance with the Act, as may be amended from time to time. The Committee, prior to undertaking any CSR activity, will define, to the extent possible, the following:

- ❖ Programme objectives.
- ❖ Responsibilities and authorities.
- ❖ Implementation schedules – Timelines for milestones of the programme will have to be prescribed.
- ❖ Major results expected and measurable outcome.

#### **Monitoring and Governance:**

1. The Committee will place for the Board's approval, a CSR Plan outlining the CSR Programmes to be carried out by the Company and the specified budgets thereof. The Board will consider and approve the CSR Plan with/without any modifications as they may deem necessary.
2. The Committee shall be responsible for implementing the Policy and ensuring that the CSR expenditure is within the approved budget and the timelines.
3. The administration of the Policy and the execution of identified CSR projects, programmes and activities undertaken, shall be carried out under the superintendence and guidance of the Committee.
4. It shall be the responsibility of the Committee to review such reports and keep the Board apprised of the status of implementation of the same.
5. At the end of every financial year, the Committee will submit its report to the Board.

#### **CSR Expenditure:**

CSR expenditure will include all expenditure (direct and indirect), incurred by the Company on CSR Programmes undertaken in accordance with the approved Policy.

The surplus, if any, arising out of the CSR Programmes/activities shall not form part of the business profits of the Company.

#### **Amendment / modification**

Any amendment/modification to the CSR policy may be carried out by the CSR Committee with the approval of the Board.

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

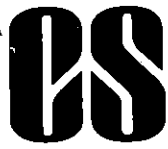


**Naren Babu Karanam**  
Director  
DIN No. 03295872



**Harjeet Singh Daya Singh**  
Director  
DIN No. 05258605

Place: - Hyderabad  
Date : - 23<sup>rd</sup> May, 2018



**Form No.MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For the Financial Year ended March 31, 2018**

To,  
The Members,  
**SWARNA TOLLWAY PRIVATE LIMITED**  
4<sup>th</sup> Floor, 'C' Block, TSRTowers  
6-3-1090, Rajbhavan Road, Somajiguda,  
Hyderabad - 500082

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SWARNA TOLLWAY PRIVATE LIMITED** (hereinafter called the "Company"). 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.

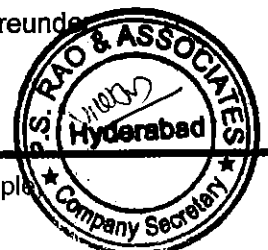
Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018, 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:

**Notes and assumptions:**

During the year 2017-18, the Company has issued and allotted privately placed Non-convertible Debentures, which were subsequently listed on the Wholesale Debt market of the National Stock Exchange of India Limited (NSE) on 06.02.2018. In view of the said, we have examined the compliances of Acts / provisions / Rules etc., mentioned hereunder as may be applicable to an unlisted entity for the entire financial year ended 31<sup>st</sup> March, 2018 and as applicable to a Listed entity only with effect from the said date of Listing. Further, for the purpose of our Secretarial Audit, the Company is considered to be a listed entity only to the extent of compliance of certain provisions applicable to a debt listed entity vis a vis the compliance of provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 etc. Hence reported accordingly.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **SWARNA TOLLWAY PRIVATE LIMITED** ("the Company") for the audit period ended on 31<sup>st</sup> March, 2018, as made available to us, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.



- iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under- **Not Applicable since the Company is only a debt listed entity.**
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment. The Company did not have any instances of Overseas Direct Investment or External Commercial Borrowings during the audit Period.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(only to the extent applicable to a debt listed Company)**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading ) Regulations, 2015. - **Not Applicable**
  - (c) The Securities and Exchange Board of India (Issue of Capital and disclosure requirements), Regulations, 2009 - **Not Applicable**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008.
  - (f) The Securities and Exchange Board of India (Delisting of Equity Shares ) Regulations , 2009 - **Not Applicable**
  - (g) The Securities and Exchange Board of India (substantial Acquisition of shares and Takeovers) Regulations, 2011; - **Not Applicable**
  - (h) The Securities and Exchange Board of India (Buyback of Securities), Regulations 1998 - **Not Applicable** and
- vi. Other specifically applicable laws to the company:
  - The Building & Other Construction Workers' (Regulation of Employment & Conditions of Services) Act, 1996
  - The Building And Other Construction Workers Welfare Cess Act, 1996

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

- i. Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- ii. Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **to the extent applicable to a debt listed Company.**



During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- 1. The Company is yet to create a charge and provide asset cover in respect of its 945, 8.5% Secured rated listed redeemable Non-convertible Debentures of Rs.10 lacs each issued by it during the year under review. We have been informed that the said matter is in concurrence with the extension of time provided by the Debenture Trustees.**
- 2. The Cess deducted/ collected in respect of Building and Other Construction Workers' Welfare Cess Act, 1996 during the year under review in one instance was belatedly deposited.**

We further report that examination / audit of financial laws such as direct and indirect tax laws, labour laws has not been carried out by us as a part of this Secretarial Audit.

We further report that:

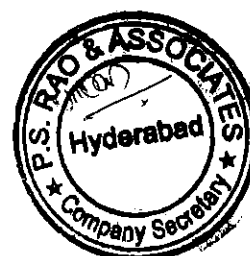
The Board of Directors of the Company is duly constituted. All the Directors on the Board are Non-Executive. Further, the Company, being a private Limited Company does not have any Independent Director on its Board. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings. We have observed that agenda and detailed notes on agenda were sent sufficiently in advance, however subject to shorter Notice in certain instances, 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.

All the decisions at the Board Meetings and the Committee Meeting (CSR Committee) have been carried out unanimously as recorded in the Minutes of the meetings of the Board or Committee of the Board, as the case may be.

We further report that:


As per the information provided by the management, and based on the review of compliance reports by the respective department / functional heads, duly taken on record by the Board of Directors of the Company, 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.

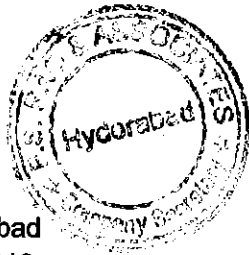


During the Audit period, there were no specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs, except reported elsewhere in this report, i.e.

- Allotment of 2 Crores equity shares of Rs.10 each, aggregating Rs.20 Crores upon conversion of equal number of 9% Compulsory convertible cumulative preference shares of Rs.10 each.
- Total redemption of the then existing secured rated redeemable Non-convertible Debentures as a part of refinancing exercise.
- Issue and Listing of 945, 8.5% Secured (charge yet to be created) rated listed redeemable Non-convertible Debentures of Rs.10 lacs each aggregating Rs.94.5 Crores in 3 series, which were subsequently listed on the Wholesale Debt market of the National Stock Exchange of India Limited (NSE) on 06.02.2018.

For P S Rao & Associates  
Company Secretaries

  
Vikas Sirohiya  
M. No.15116  
CPNo.5246



Place: Hyderabad  
Date: 23.05.2018

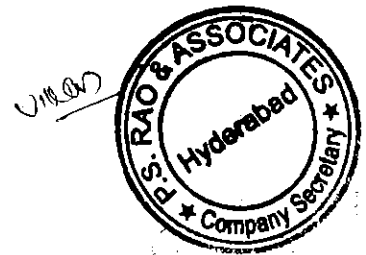
*[This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.]*

**Annexure A**

To,  
The Members,  
SWARNATOLLWAY PRIVATE LIMITED  
4<sup>th</sup> Floor, 'C' Block, TSR Towers  
6-3-1090, Rajbhavan Road, Somajiguda, Hyderabad - 500082

Secretarial Audit Report of even date is to be read along with this letter.

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. We have followed the audit practises and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practises we followed provide a reasonable basis for our opinion.
3. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. We believe that audit evidence and information provided by the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
6. We have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.

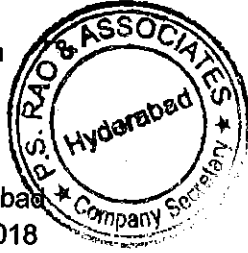


**Disclaimer**

7. 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.

For P S Rao & Associates  
Company Secretaries

*Vikas*  
Vikas Sirohiya  
M. No.15116  
CPNo.5246



Place: Hyderabad  
Date: 23.05.2018

**SWARNA TOLLWAY PRIVATE LIMITED  
VIGIL MECHANISM POLICY**

POLICY & PROCEDURE FOR REPORTING IMPROPER CONDUCT, WRONGDOINGS,  
CORRUPTION, FRAUD, WASTE AND / OR ABUSE INVOLVING COMPANY'S RESOURCES

**Preamble**

The Companies Act 2013 under the provisions of Section 177 read with Rule 7 of The Companies (Meetings of Board and its Powers) Rules, 2014 has mandated that every company whose borrowing from banks exceeds 50 Crore rupees, shall establish a Vigil Mechanism for directors and employees to report genuine concerns in such manner as may be prescribed. Further such Vigil Mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Vigilance Officer or such other authorised official of the Company.

Pursuant to the provisions of Section 177 (9) & (10) read with rule 7 of Chapter XII of the Companies Act, 2013, the Board and Management of Swarna Tollway Private Limited ( the Company) has set up and adopted the following Vigil Mechanism which lays down the principles and standards governing the management of grievances and concerns of employees and directors of the Company and had nominated Mr. Naren Karanam, Director (hereinafter referred to as 'Vigilance Officer') to oversee the implementation of Vigilance Mechanism. The Mechanism as set up herein-below shall enable the employees and the directors of the Company to report their genuine concerns or grievances about the actual and potential violation of the principles and standards laid down herein.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards the Company encourages the employees to voice their genuine concerns without fear of censure.

**Mechanism****1. Objectives**

- (i) To encourage employees and directors to bring genuine ethical and legal concerns, violations and suspected fraudulent behaviour of which they are or become aware of, to an internal authority so that action can be taken immediately to resolve the problem.
- (ii) To minimize the Company's exposure to the damage that can occur when the employees or directors actually or potentially try to circumvent internal mechanisms in furthering the aforementioned concerns, violation and frauds.
- (iii) To let employees and directors know that the Organization is serious about adherence to this policy and mechanism.

**2. Scope**

- (i) This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company's rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activities on account of which the interest of the Company is affected.
- (ii) However the mechanism does not release the employees from their duty of confidentiality in the course of their work and nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.



### 3. Eligibility

All employees and directors of the Company are eligible to make disclosures under the mechanism in relation to matters concerning the Company to the Vigilance Officer.

### 4. Procedure

(i) Where any director or employee ("**Complainant**") finds or observes any activities or similar activities (as mentioned below), which concern the interests of the Company, then he/ she must, within a period of 30 days of occurrence of such event or on the date on which he/ she comes to know of the occurrence of such event, report the same in writing ("**Complaint**") either in a secured and closed envelope or by way of fax or email.

- embezzlement of funds;
- any prejudicial act in which stakeholders' interest or public interest is involved;
- serious frauds which are affecting or may affect the financial position of the Company;
- internal theft;
- corruption and bribery;
- misappropriation of Company's assets and resources;
- violation of human rights;
- sexual harassment;
- inappropriate sharing of Company sensitive information;
- abuse of authority;
- gross or wilful negligence causing substantial and specific danger to health; safety and environment; and
- unfair trade practice and anti-competitive behaviour.

(ii) The aforementioned reporting shall be done in the form as set forth in Annexure 1.

(iii) The Complainant shall address all the complaints / grievances to the vigilance officer ("**Vigilance Officer**") including for any exceptional cases whose details are as under:

Mr. Naren Karanam

Level 9, 2 North Avenue,  
Maker Maxity,  
Bandra Kurla Complex,  
Bandra East,  
Mumbai 400051

Phone: +91 22 6720 4000

Email: Naren.karanam@macquarie.com

(iv) Upon receipt of the Complaint, the Vigilance Officer, shall carry out initial investigations either himself or by involving any other official of the Company or an outside agency as he may deem fit.

(v) The decision to undertake the investigation by the Vigilance Officer shall not by itself, be regarded as the acceptance of the accusation by him. It is a neutral fact finding process to ascertain the truth of the accusation.

- (vi) If the Vigilance Officer or such other officer involved in the investigation has any conflict of interest with the matter, he/ she shall disclose the same to the Board of Directors of the Company and shall refrain from dealing with the Complaint in his capacity as the in-charge of the Complaint. Upon receipt of such disclosure of such conflict of interest, the Board of Directors shall promptly appoint another officer not having any conflict in respect of the Complaint, as the Vigilance Officer for addressing the Complaint.
- (vii) For effective disposal of the Complaint, the Vigilance Officer may as it deems fit, call for further information from the Complainant.
- (viii) The Vigilance Officer shall carry out detailed investigation if he finds the allegations made in the Complaint as prima facie valid.
- (ix) The employee/director against whom disclosure has been reported shall:
- co-operate with Vigilance Officer for the purposes of the Complaint or any person appointed in this regard;
  - have a right to consult any person of his choice other than the Vigilance Officer and the Complainant or any other person appointed in this regard;
  - not interfere in investigations conducted by the Vigilance Officer;
  - not withhold, tamper or destroy any of evidence which may be directly or indirectly relevant with respect to the Complaint;
  - be given an opportunity to respond to material findings;
  - not threaten, influence or intimidate Complainant or any of witnesses; and
  - have a right to know the outcomes of investigation.
- (x) Unless prevented for plausible reasons, the Investigations shall be completed within a period of sixty (60) days.

## **5. Decisions and Reporting**

- (i) If the outcome of the investigation leads to a conclusion that, any improper or unethical act has been committed, then the Vigilance Officer may undertake such disciplinary actions on the guilty employee/ director as may be permissible under applicable law. The findings of the Complaint and the decision of the Vigilance Officer in respect of the Complaint shall be recorded in writing with appropriate reasons and in reasonable detail.
- (ii) Copy of the aforementioned recordings shall be forwarded to the Complainant and the person against whom complaint is made. However, if the Complainant makes false or wrong allegations then disciplinary actions as may be decided by the Vigilance Officer, may be taken against the Complainant in accordance with the rules, procedures and policies of the Company.
- (iii) If the decision in respect of the Complaint is unsatisfactory to the Complainant, the Complainant shall notify the same to the Vigilance Officer in writing and thereafter shall have the right to report the alleged events of misconduct as mentioned in the Complaint, to the appropriate legal authority having jurisdiction to investigate and adjudicate upon the same.

## **6. Secrecy and Confidentiality**

The Vigilance Officer as well as Complainant shall:-

- (i) Maintain confidentiality of all matters under this policy;
- (ii) Discuss only to the extent or with those persons as required under this policy for completing the process of investigation;
- (iii) Not keep the papers unattended anywhere at any time; and
- (iv) Keep the electronic mails / files under password and under safe custody.

## **7. Protection**

- (i) No unfair treatment will be meted out to a Complainant by virtue of his/ her having reported a Complaint under this policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Complainants. Complete protection will therefore be given to Complainant against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Complainant's right to continue to perform his duties /functions including making further disclosure.
- (ii) The Company will take steps to minimize difficulties which the Complainant may experience as a result of making the disclosure. Thus, if the Complainant is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Complainant to receive advice about the procedure, etc.
- (iii) A Complainant may report any violation of the above clause to the Vigilance Officer, who shall investigate into the same and recommend suitable action to the management. For effective disposal of the Complaint and to prevent any abuse of the redressal process, the identity of the Complainant shall be kept confidential to the extent possible and permitted under law. The identity of the Complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority.
- (iv) In the event of the identity of the Complainant being disclosed, the Vigilance Officer is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Complainant, if known, shall remain confidential to those persons directly involved in applying this mechanism, unless the issue requires investigation by law enforcement agencies.
- (v) Any other employee assisting in the said investigation shall also be protected to the same extent as the Complainant. Provided however that the Complainant before making a complaint has reasonable belief that an issue exists and that he has acted in good faith. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

## **8. Direct Access to Vigilance Officer**

The Complainant and any other employee assisting the investigation shall have direct access to Vigilance Officer. The Vigilance Officer may prescribe suitable direction with regard to exceptional cases.

## **9. Retention of Documents**

9. **Retention of Documents**

The evidences, documents received by the Vigilance Officer in due course of time during investigation shall be preserved for three (3) years or for such period as may be specified by law in force in this regard from time to time.

10. **Amendments**

The Company reserves right to amend, modify, and cancel any of the provisions of the mechanism in whole or in part set up herein above or may restrict subject to approval of the Board.

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



**Naren Babu Karanam**  
**Director**  
**DIN No. 03295872**



**Harjeet Singh Daya Singh**  
**Director**  
**DIN No. 05258605**

Place: - Hyderabad  
Date : - 23<sup>rd</sup> May, 2018

## Annexure 1

Date: -

Type or complete in ink and return this form to:

Mr. [●]

*[Insert Address for contact, phone number and email]*

Or

[●]

1. Name of the person(s) you are reporting \_\_\_\_\_
2. Name of the division/department in which that person works.  
\_\_\_\_\_
3. Please provide a summary of the alleged improper conduct, wrongdoings, corruption, fraud, waste & / or abuse that you are reporting.  
\_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_
4. Please attach a separate narrative if necessary, as well as documentation to support your claim.
5. Provide information on relevant witnesses, if any, including email, telephone and / or the best way to get in touch with them.

Witness #1

Name: \_\_\_\_\_

Email: \_\_\_\_\_

Phone No: \_\_\_\_\_

Witness #2

Name: \_\_\_\_\_

Email: \_\_\_\_\_

Phone No: \_\_\_\_\_

Any additional information concerning these witnesses:

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6. If possible, please provide dates (month, day, year) that the alleged activity occurred

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7. Please explain why you believe the person you are reporting has committed these acts knowingly, willingly and intentionally.

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8. We would like to know how the alleged activities came to your attention (if you have not already done so in the summary); however, this is optional for you to report this.

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9. Please provide any other information you may find relevant.

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10. We will not document information concerning your name if you wish to remain anonymous; however, if you do not want to be anonymous please provide your name, phone number and email

Your Name: \_\_\_\_\_

Your Phone No: \_\_\_\_\_

Your Email: \_\_\_\_\_

\*If you decide to remain anonymous, please contact us within two weeks of your report, because we may need additional information concerning the alleged activities reported by you.

Thank you.

**M.K. DANDEKER & CO.,**  
*Chartered Accountants*

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

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

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF SWARNA TOLLWAY PRIVATE LIMITED**

**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of **Swarna Tollway Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Changes in Equity, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

**Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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) specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.

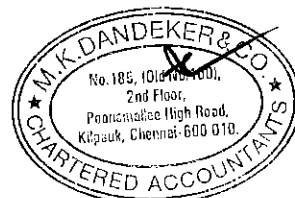
This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 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 Ind AS financial statements based on 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 thereunder.

We conducted our audit 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 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 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 including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, its financial performance including Other Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

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

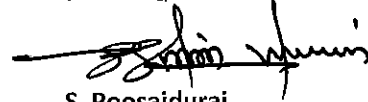
1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the said order.
2. As required by Section 143 (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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.
  - (e) On the basis of the written representations received from the directors as on 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.



**M.K. Dandeker & Co.**  
**Chartered Accountants**

- (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:
- The Company does not have any pending litigations as at March 31, 2018 which would impact its financial position.
  - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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



S. Poosaidurai

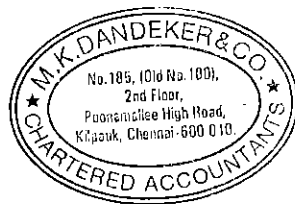
Partner

Chartered Accountants

Membership No. 223754

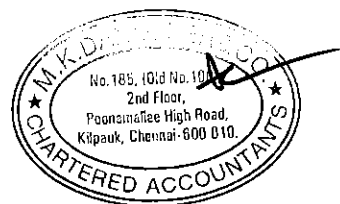
Date: May 23, 2018

Place: Hyderabad



**ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT**  
**(Referred to in our Report of even date)**

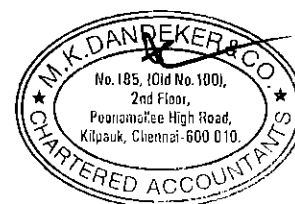
1. a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- b. The Fixed Assets have been physically verified by the Management at regular Intervals and no material discrepancies were noticed on such verification.
- c. The title deeds of immovable properties are held in the name of the Company.
2. The Company is engaged in the business of infrastructure development and maintenance and hence clause 3 (ii) of the Companies (Auditor's Report) Order 2016 relating to inventory is not applicable.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. According to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 are complied with in respect of loans, investments, guarantees and securities given by the Company, if any.
5. The Company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.
6. The Company is maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act in respect of services carried out by the Company.
7. a. According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.



- b. According to the information and explanation given to us, the Company have the following statutory dues which have not been deposited on account of disputes:

Name of the Statute	Nature of Dues	Amount (in Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Additional Tax arising from disallowance of depreciation in assessment	77,911,567	Financial Year 2008-09	High Court of Telangana and Andhra Pradesh
Income Tax Act 1961	Additional Tax arising from disallowance of depreciation in assessment	50,326,920	Financial Year 2009-10	High Court of Telangana and Andhra Pradesh

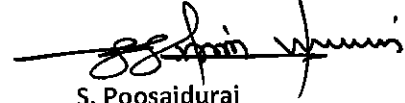
8. The Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues to debenture holders, if any.
9. The money's raised by way of debt instruments and term loans were applied for the purposes for which those are raised.
10. Based on the information and explanation given to us, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.
12. The Company is not a Nidhi Company and hence clause 3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.



**M.K. Dandeker & Co.**  
**Chartered Accountants**

14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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



**S. Poosaidurai**

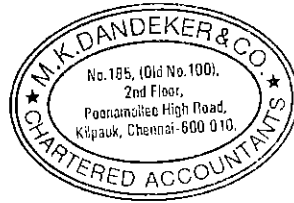
**Partner**

**Chartered Accountants**

**Membership No.223754**

**Date:** May 23, 2018

**Place:** Hyderabad



**ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT**  
(Referred to in our Report of even date)

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

We have audited the internal financial controls over financial reporting of **Swarna Tollway Private Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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



**Meaning of Internal Financial Controls over Financial Reporting** A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

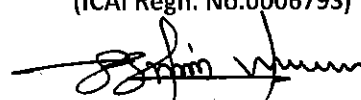
**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Date:** May 23, 2018.

**Place:** Hyderabad

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

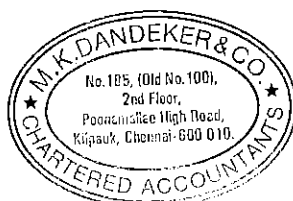


**S. Poosaidurai**

**Partner**

**Chartered Accountants**

**Membership No.223754**



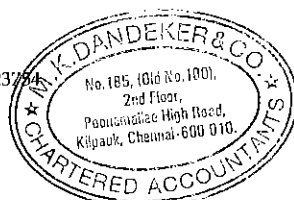
**Swarna Tollway Private Limited**  
Balance Sheet as at March 31, 2018

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
		Amount( ₹ )	Amount( ₹ )	Amount( ₹ )
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
a) Property, Plant and Equipment	1	6,75,87,086	4,85,16,882	4,94,18,496
b) Intangible assets	2	4,90,76,93,264	5,12,57,74,828	5,33,17,30,639
c) Financial Assets				
i) Loans and Advances	3	30,24,704	27,53,204	24,88,245
ii) Other Financial Assets	4	10,873	1,03,774	2,04,50,119
d) Other non-current assets	5	59,10,21,640	40,65,99,623	18,98,00,000
	A	5,56,93,37,567	5,58,37,48,311	5,59,38,87,499
<b>(2) Current assets</b>				
a) Financial Assets				
i) Investments	6	83,23,17,345	59,73,54,543	-
ii) Cash and bank balances	7	39,33,53,091	66,69,99,018	1,19,19,72,059
iii) Loans and Advances	3	1,00,00,000	1,00,00,000	1,00,00,000
iv) Other Financial Assets	4	89,04,804	1,68,58,659	2,59,98,933
b) Other current assets	5	4,21,89,619	61,56,595	54,87,917
	B	1,28,67,64,858	1,29,73,68,815	1,23,34,58,910
<b>TOTAL</b>	A+B	6,85,61,02,425	6,88,11,17,126	6,82,73,46,409
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
a) Share capital	8	2,70,00,00,000	2,70,00,00,000	2,70,00,00,000
b) Other Equity	9	2,69,26,37,593	2,76,55,64,048	2,18,16,35,795
	C	5,39,26,37,593	5,46,55,64,048	4,88,16,35,795
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
a) Financial liabilities				
i) Borrowings	10	93,14,23,792	82,94,32,682	1,27,31,37,187
b) Provisions	11	33,20,13,348	80,94,301	57,62,039
	D	1,26,34,37,140	83,75,26,983	1,27,88,99,226
<b>(2) Current liabilities</b>				
a) Financial liabilities				
i) Trade payables	14	18,92,04,642	10,20,40,419	12,62,57,919
ii) Other Financial Liabilities	12	-	44,65,27,144	44,65,17,144
b) Other liabilities	13	98,32,565	73,59,786	1,46,77,164
c) Provisions	11	9,90,485	2,20,98,746	7,93,59,161
	E	20,00,27,692	57,80,26,095	66,68,11,388
<b>Total Equity and Liabilities</b>	C+D+E	6,85,61,02,425	6,88,11,17,126	6,82,73,46,409
<b>CONTINGENT LIABILITIES</b>	F			
<b>COMMITMENTS</b>	G			
<b>OTHER NOTES FORMING PART OF ACCOUNTS</b>	H			
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	I			


As per our report attached  
M.K.DANDEKER & CO.  
Chartered Accountants  
Firm's Registration No.: 000679S  
by the hand of

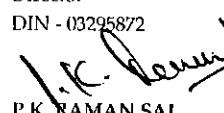
S.POOSAIDURAI  
Partner  
Membership No.: 223754


Place: Hyderabad  
Date: MAY 23, 2018



For and on behalf of the Board

  
NARENBABU KARANAM  
Director  
DIN - 03295872

  
P.K. RAMANI  
Membership No : 16344  
Company Secretary

  
HARJEET SINGH DAYA SINGH  
Director  
DIN - 05258605

Place : Hyderabad  
Date: MAY 23, 2018

Swarna Tollway Private Limited  
Statement of Profit and loss for the year ended March 31, 2018

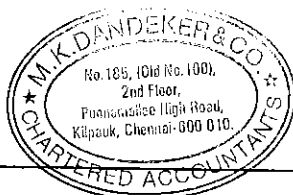
Particulars	Note	As at March 31, 2018	As at March 31, 2017
		Amount( ₹ )	Amount( ₹ )
<b>INCOME</b>			
Revenue from Operations	15	1,88,22,18,645	1,60,22,47,362
Other income	16	7,34,51,127	13,53,38,485
<b>Total Income</b>	<b>A</b>	<b>1,95,56,69,772</b>	<b>1,73,75,85,847</b>
<b>EXPENSES</b>			
a) Operating expenses	17	49,85,73,036	13,45,62,405
b) Employee benefits expenses	18	6,34,29,665	6,24,25,462
c) Finance Costs	19	12,77,76,099	17,02,74,784
d) Depreciation and Amortisation expenses	1 & 2	22,59,64,202	21,37,82,472
e) Administration and Other Expenses	20	15,79,17,833	14,98,62,667
<b>Total Expenses</b>	<b>B</b>	<b>1,07,36,60,835</b>	<b>73,09,07,790</b>
<b>Profit/(loss) before exceptional items and tax</b>	<b>A-B</b>	<b>88,20,08,937</b>	<b>1,00,66,78,057</b>
Exceptional items		-	-
<b>Profit/(loss) before tax</b>		<b>88,20,08,937</b>	<b>1,00,66,78,057</b>
Tax Expense:			
Current tax		18,82,34,819	21,25,24,810
MAT credit entitlement		-18,82,34,819	-21,25,24,810
<b>Profit/(loss) after tax for the year</b>		<b>88,20,08,937</b>	<b>1,00,66,78,057</b>
<b>Other Comprehensive Income</b>	21	<b>-17,02,827</b>	<b>-11,97,145</b>
i) Items that will not be reclassified to profit or loss (net of tax)		-17,02,827	-11,97,145
<b>Total Comprehensive Income for the year</b>		<b>88,03,06,110</b>	<b>1,00,54,80,911</b>
Earnings per equity share		3.27	3.94
Diluted EPS		3.27	3.73
Face value per equity share		10.00	10.00

As per our report attached  
M.K.DANDEKER & CO.  
Chartered Accountants  
Firm's Registration No.: 000679S  
by the hand of

For and on behalf of the Board

S.POOSAIDURAI  
Partner  
Membership No.: 223754

Place: Hyderabad  
Date: MAY 23, 2018



NARENBABU KARANAM  
Director  
DIN - 03295872

P.K. RAMAN SAI  
Membership No: 16344  
Company Secretary

HARJEET SINGH DAYA SINGH  
Director  
DIN - 05258605



**Swarna Tollway Private Limited**  
Cash Flow Statement as on March 31, 2018

S. No.	Particulars	As at March 31, 2018	As at March 31, 2017
		Amount( ₹ )	Amount( ₹ )
<b>A</b>	<b>Net profit / (loss) before tax and extraordinary items</b>	88,03,06,110	1,00,54,80,911
	<b>Adjustment for</b>		
	Depreciation and amortisation expense	22,59,64,202	21,37,82,472
	Interest expense	12,77,76,099	17,02,74,784
	Interest income	-3,63,84,375	-6,94,23,385
	Profit on Sale of Mutual Fund Investments	-3,41,62,803	-2,34,54,543
	(Profit)/loss on sale of fixed assets	-3,35,302	-2,76,251
	<b>Operating profit before working capital changes</b>	<b>1,16,31,63,931</b>	<b>1,29,63,83,988</b>
	<b>Adjustments for:</b>		
	Increase / (Decrease) in trade payables	8,71,64,223	-2,42,17,500
	Increase / (Decrease) in other current liabilities	24,72,780	-73,17,378
	Increase / (Decrease) in provisions	32,44,75,162	24,06,210
	(Increase) / Decrease in long term loans and advances	-2,71,500	-2,64,959
	(Increase) / Decrease in short term loans and advances	-	-
	(Increase) / Decrease in other financial assets	80,11,458	91,40,274
	(Increase) / Decrease in other current assets	-3,13,38,770	-6,68,678
	<b>Net cash generated from/(used in) operating activities</b>	<b>1,55,36,77,285</b>	<b>1,27,54,61,957</b>
	Direct taxes paid (net of refunds)	-18,91,16,271	-29,57,98,361
	<b>Net Cash(used in)/generated from Operating Activities</b>	<b>1,36,45,61,013</b>	<b>97,96,63,597</b>
<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of fixed assets	-2,70,03,511	-73,56,796
	Sale of fixed assets	3,85,971	7,08,000
	(Purchase)/Sale of current investments	-22,04,61,621	-58,34,32,204
	Fixed Deposit (placed) / matured	30,85,22,583	43,68,44,881
	Profit on Sale of Current Investment	1,96,61,621	95,32,204
	Interest received	3,63,26,772	6,94,23,385
	<b>Net cash (used in)/generated from investing activities</b>	<b>11,74,31,816</b>	<b>-7,42,80,530</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Dividend Paid	-97,48,96,941	-39,98,88,282
	Repayment of long term borrowings	-1,27,59,59,826	-44,65,17,138
	Interest paid	-12,77,76,099	-16,74,52,152
	Proceeds from Long term borrowings	93,14,23,792	-
	<b>Net cash (used in)/generated from financing activities</b>	<b>-1,44,72,09,074</b>	<b>-1,01,38,57,572</b>
	<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>3,47,83,755</b>	<b>-10,84,74,505</b>
	<b>Cash and cash equivalents as at the beginning of the year</b>	<b>35,85,69,336</b>	<b>46,70,43,841</b>
	<b>Cash and cash equivalents as at the end of the year</b>	<b>39,33,53,091</b>	<b>35,85,69,336</b>

**Notes:**

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

**As per our report attached**

M.K.DANDEKER & CO.

Chartered Accountants

Firm's Registration No.: 0006795

by the hand of

Partner

Membership No.: 223754

Place: Hyderabad

Date: MAY 23, 2018

For and on behalf of the Board

NARENDABU KARANAM

Director

DIN - 03295872

P.K. RAMAN SAI

Membership No : 16344

Company Secretary

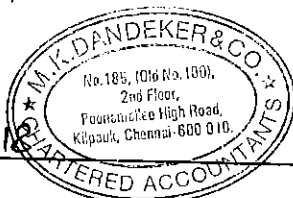
HARJEET SINGH DAYA SINGH

Director

DIN - 05258605

Place : Hyderabad

Date: MAY 23, 2018



**Swarna Tollway Private Limited**  
**Statement of Changes in Equity for the period ended March 31, 2018**

**A. Equity Share Capital**

Particulars	As at As at March 31, 2018		As at As at March 31, 2017		As at April 01, 2016	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)	No. of shares	Amount (₹)
At the beginning of the year	25,00,00,000	2,50,00,00,000	25,00,00,000	2,50,00,00,000	25,00,00,000	2,50,00,00,000
Issued during the year as fully paid	2,00,00,000	20,00,00,000	-	-	-	-
At the end of the year	27,00,00,000	2,70,00,00,000	25,00,00,000	2,50,00,00,000	25,00,00,000	2,50,00,00,000

**B. Other Equity**

**Other Equity as on 31.03.2018**

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus				Total
			Capital reserve	Securities premium reserve	General Reserve	Revaluation Reserve	
Balance at the beginning of the reporting period	-	-	1,62,89,80,000	-	-	-	2,60,37,94,048
Profit for the year	-	-	-	-	-	-	1,04,37,78,937
- Final Equity Dividend paid to share holders	-	-	-	-	-	-	-52,20,00,000
- Transfer to Debenture Redemption Reserve	-	-	-	-	-	-	-
- Interim Equity Dividend paid to share holders	-	-	-	-	-	-	-27,00,00,000
- Dividend distribution tax on dividend on Equity & Preference shares	-	-	-	-	-	-	-16,12,32,565
Other comprehensive income	-	-	-	-	-	-	-17,02,827
Balance at the end of the reporting period	-	-	1,62,89,80,000	-	-	3,64,33,274	2,60,26,37,593

**Other Equity as on 31.03.2017**

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus				Total
			Capital reserve	Securities premium reserve	General Reserve	Revaluation Reserve	
Balance at the beginning of the reporting period	-	-	1,62,89,80,000	-	-	-	2,18,16,35,795
Profit for the year	-	-	-	-	-	-	1,00,66,78,057
- Transfer to DRR	-	-	-	-	-	-	-16,17,70,000
- Interim Equity Dividend paid to share holders	-	-	-	-	-	-	-29,62,50,000
- Dividend on Preference shares for the year 2014-15 and 2015-16	-	-	-	-	-	-	-3,60,00,000
- Dividend on Preference shares for the year	-	-	-	-	-	-	-1,80,00,000
- Dividend distribution tax on dividend on Equity & Preference shares	-	-	-	-	-	-	-7,13,02,658
Debenture Redemption Reserve	-	-	-	-	-	-	16,17,70,000
Other comprehensive income	-	-	-	-	-	-	-11,97,145
Balance at the end of the reporting period	-	-	1,62,89,80,000	-	-	3,64,33,274	2,76,55,64,048

As per our report attached

M.K.DANDEKER & CO.

Chartered Accountants

Firm's Registration No. 0066795

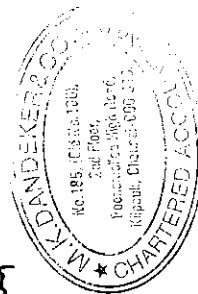
by the hand of

*S. Poosa Durai*

S. POOSAIDURAI

Partner

Membership No.: 223754



Place: Hyderabad

Date: MAY 23, 2018

For and on behalf of the board of directors of Swarna Tollway Private Limited

*Naren Babu Karanam*  
NARENBABU KARANAM  
Director  
DIN - 03295872

*Harijeet Singh Daya Singh*  
HARIJEET SINGH DAYA SINGH  
Director  
DIN - 05258605

P. KRAMAN SAI  
Membership No: 16344  
Company Secretary

Place: Hyderabad  
Date: MAY 23, 2018

1 Property, Plant and Equipment

Particulars	Cost				Depreciation				Book Value		Amount(₹)
	As at	Additions	Deductions	As at	As at	For the year	Deductions	As at	As at	As at	
	April 01, 2016			March 31, 2017	April 01, 2016			March 31, 2017	March 31, 2017	April 01, 2016	
Freehold Land	8,67,273	-	-	8,67,273	-	-	-	-	8,67,273	8,67,273	
Leasehold Land	1,71,713	-	-	1,71,713	-	2,006	-	2,006	1,69,707	1,71,713	
Building	2,74,83,156	-	-	2,74,83,156	-	11,03,073	-	11,03,073	2,63,80,083	2,74,83,156	
Toll collection Equipment & System	1,55,63,572	25,48,626	-	1,81,12,398	-	45,14,399	-	45,14,399	1,35,97,999	1,55,63,572	
Furniture & Fixtures	6,62,135	-	-	6,62,135	-	96,053	-	96,053	5,66,082	6,62,135	
Office Equipments	7,86,303	9,81,535	1,43,520	16,24,318	-	6,95,715	1,43,520	5,52,195	10,72,123	7,86,303	
Computers	7,83,653	3,34,100	-	11,17,753	-	2,49,601	-	2,49,601	8,68,152	7,83,653	
Vehicles	31,00,691	34,92,335	13,54,716	52,38,310	-	11,65,814	9,22,967	2,42,847	49,95,463	31,00,691	
<b>Total</b>	<b>4,94,18,496</b>	<b>73,56,796</b>	<b>14,98,236</b>	<b>5,52,77,056</b>	<b>-</b>	<b>78,26,661</b>	<b>10,66,487</b>	<b>67,60,174</b>	<b>4,85,16,882</b>	<b>4,94,18,496</b>	
Previous year				4,94,18,496							

2 Intangible Assets

Particulars	Cost				Amortisation				Book Value		Amount(₹)
	As at	Additions	Deductions	As at	As at	For the year	Deductions	As at	As at	As at	
	April 01, 2016			March 31, 2017	April 01, 2016			March 31, 2017	March 31, 2017	April 01, 2016	
Toll Collection Rights	5,33,17,30,639	-	-	5,33,17,30,639	-	20,59,55,811	-	20,59,55,811	5,12,57,74,828	5,33,17,30,639	
<b>Total</b>	<b>5,33,17,30,639</b>	<b>-</b>	<b>-</b>	<b>5,33,17,30,639</b>	<b>-</b>	<b>20,59,55,811</b>	<b>-</b>	<b>20,59,55,811</b>	<b>5,12,57,74,828</b>	<b>5,33,17,30,639</b>	
Previous year	5,33,17,30,639			5,33,17,30,639							

1 Property, Plant and Equipment

Particulars	Cost				Depreciation				Book Value	
	As at	Additions	Deductions	As at	As at	For the year	Deductions	As at	As at	As at
	April 01, 2017				April 01, 2017				March 31, 2018	March 31, 2017
Freehold Land	8,67,273	1,93,50,000	-	2,02,17,273	-	-	-	-	2,02,17,273	8,67,273
Leasehold Land	1,98,600	-	-	1,98,600	28,893	2,006	-	30,899	1,67,701	1,69,707
Building	4,81,28,786	-	-	4,81,28,786	2,17,48,703	11,03,073	-	2,28,51,776	2,52,77,010	2,63,80,083
Toll collection Equipment & System	34,35,84,978	-	-	34,35,84,978	32,99,86,979	43,14,120	-	33,43,01,099	92,63,679	1,35,97,999
Furniture & Fixtures	24,98,964	2,98,886	6,17,653	21,80,197	19,32,882	1,00,039	6,17,653	14,15,268	7,64,929	5,66,082
Office Equipments	92,85,754	6,92,245	29,92,807	69,85,192	82,13,631	6,69,336	29,65,336	59,17,631	10,67,561	10,72,123
Computers	34,29,133	6,19,063	15,53,403	24,94,793	25,60,981	2,97,686	15,53,403	13,05,264	11,89,529	8,68,152
Vehicles	1,62,94,655	60,43,317	24,67,779	1,98,50,193	1,12,99,192	13,96,379	24,64,581	1,02,30,990	96,19,203	49,95,463
<b>Total</b>	<b>42,42,88,143</b>	<b>2,70,03,511</b>	<b>76,51,642</b>	<b>44,36,40,012</b>	<b>37,57,71,261</b>	<b>78,82,638</b>	<b>76,00,972</b>	<b>37,60,52,926</b>	<b>6,75,87,086</b>	<b>4,85,17,332</b>
<i>Previous year</i>	<i>41,84,29,583</i>	<i>73,56,796</i>	<i>14,98,236</i>	<i>42,42,88,143</i>	<i>36,90,11,087</i>	<i>78,26,661</i>	<i>70,66,487</i>	<i>37,57,71,261</i>	<i>4,85,16,882</i>	

2 Intangible Assets

Particulars	Cost				Amortisation				Book Value	
	As at	Additions	Deductions	As at	As at	For the year	Deductions	As at	As at	As at
	April 01, 2017				April 01, 2017				March 31, 2018	March 31, 2017
Toll Collection Rights	5,33,17,30,639	-	-	5,33,17,30,639	20,59,55,811	21,80,81,564	-	42,40,37,375	4,90,76,93,264	5,12,57,74,828
<b>Total</b>	<b>5,33,17,30,639</b>	<b>-</b>	<b>-</b>	<b>5,33,17,30,639</b>	<b>20,59,55,811</b>	<b>21,80,81,564</b>	<b>-</b>	<b>42,40,37,375</b>	<b>4,90,76,93,264</b>	<b>5,12,57,74,828</b>
<i>Previous year</i>				<i>5,33,17,30,639</i>				<i>20,59,55,811</i>		

3 Loans and Advances

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
	Current Amount( ₹ )	Non-current Amount( ₹ )	Total Amount( ₹ )	Current Amount( ₹ )	Non-current Amount( ₹ )	Total Amount( ₹ )	Current Amount( ₹ )	Non-current Amount( ₹ )	Total Amount( ₹ )
Security deposits									
- Electricity Deposit	-	28,88,085	28,88,085	-	26,16,585	26,16,585	-	23,74,745	23,74,745
- Telephone Deposit	-	37,769	37,769	-	37,769	37,769	-	40,000	40,000
- Rent Deposit	-	98,850	98,850	-	98,850	98,850	-	73,300	73,500
- Interest Free Deposit with Related Party (MINSPL)	1,00,00,000	-	1,00,00,000	1,00,00,000	-	1,00,00,000	1,00,00,000	-	1,00,00,000
	1,00,00,000	30,24,704	1,30,24,704	1,00,00,000	27,53,204	1,27,53,204	1,00,00,000	24,88,245	1,24,88,245

4 Other Financial Assets

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
	Current Amount( ₹ )	Non-current Amount( ₹ )	Total Amount( ₹ )	Current Amount( ₹ )	Non-current Amount( ₹ )	Total Amount( ₹ )	Current Amount( ₹ )	Non-current Amount( ₹ )	Total Amount( ₹ )
ETC Receivable From ICICI	-	-	-	25,55,670	-	25,55,670	-	-	-
Fixed Deposits with maturity value of more than 12 months and including interest accrued	-	10,873	10,873	-	1,03,774	1,03,774	-	2,04,50,119	2,04,50,119
Receivable from NHAI *	89,04,804	-	89,04,804	1,38,20,892	-	1,38,20,892	2,55,16,836	-	2,55,16,836
Others	-	-	-	4,82,097	-	4,82,097	4,82,097	-	4,82,097
	89,04,804	10,873	89,15,677	1,68,58,659	1,03,774	1,69,62,433	2,59,98,933	2,04,50,119	4,64,49,052

5 Other non-current and current assets

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
	Current Amount( ₹ )	Non-current Amount( ₹ )	Total Amount( ₹ )	Current Amount( ₹ )	Non-current Amount( ₹ )	Total Amount( ₹ )	Current Amount( ₹ )	Non-current Amount( ₹ )	Total Amount( ₹ )
MAT Credit Entitlement	-	59,10,21,640	59,10,21,640	-	40,26,49,619	40,26,49,619	-	18,98,00,000	18,98,00,000
Advance Income Tax	46,94,254	-	46,94,254	-	39,50,003	39,50,003	-	-	-
Advances recoverable other than in Cash									
Prepaid expenses	22,77,249	-	22,77,249	22,26,044	-	22,26,044	9,42,297	-	9,42,297
Advances other than Capital advances									
Others	3,52,18,116	-	3,52,18,116	39,30,551	-	39,30,551	45,45,620	-	45,45,620
	4,21,89,619	59,10,21,640	63,32,11,259	61,56,595	40,65,99,623	41,27,56,218	54,87,917	18,98,00,000	19,52,87,917

\* Represents cost reimbursable from National Highway Authority of India for implementation of Electronic Toll Collection system.

Swarna Tollway Private Limited  
Notes forming part of Accounts

6 Investments

Particulars	As at March 31, 2018			As at March 31, 2017			As at March 31, 2016		
	Current Amount( ₹ )	Non-current Amount( ₹ )	Total Amount( ₹ )	Current Amount( ₹ )	Non-current Amount( ₹ )	Total Amount( ₹ )	Current Amount( ₹ )	Non-current Amount( ₹ )	Total Amount( ₹ )
Mutual Funds ICICI Pru life - Flexible Funds Book Value: Rs.28,28,52,677 (Previous Year : 4,94,803,852, April 2015: NIL)	28,59,45,137	-	28,59,45,137	50,84,88,229	-	50,84,88,229	-	-	-
Mutual Funds ICICI Pru life - Liquid Funds Book Value: Rs.24,42,81,062 (Previous Year : 6,28,352, April 2015: NIL)	24,51,68,243	-	24,51,68,243	6,29,451	-	6,29,451	-	-	-
Mutual Funds ICICI Pru life - Saving Funds Book Value: Rs.24,06,82,460 (Previous Year : 3,80,00,000, April 2015: NIL)	24,77,90,234	-	24,77,90,234	3,82,36,862	-	3,82,36,862	-	-	-
SBI Mutual Funds - Ultra Short Term Funds Book Value: Rs.5,00,00,000 (Previous Year : 5,00,00,000, April 2015: NIL)	5,34,13,731	-	5,34,13,731	5,00,00,001	-	5,00,00,001	-	-	-
	83,23,17,345	-	83,23,17,345	59,75,54,543	-	59,75,54,543	-	-	-

7 Cash and bank balances

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Amount( ₹ )	Amount( ₹ )	Amount( ₹ )
a) Cash and Cash equivalents			
(i) Cash on hand	1,48,10,818	1,37,58,018	1,38,57,870
(ii) Balance with banks			
- On Current account	2,09,84,670	91,13,963	1,09,96,578
- On Term deposits (with maturity less than 3 months from the date of deposit including accrued interest there on)	35,75,57,603	33,56,97,355	44,21,89,393
	39,33,53,091	35,85,69,336	46,70,43,841
b) Other Bank balances			
(i) Fixed deposit with maturity more than 3 months but less than 12 months	-	30,84,29,682	72,49,28,218
	-	30,84,29,682	72,49,28,218
	39,33,53,091	66,69,99,018	1,19,19,72,059

8 Share Capital

(i) Authorised, issued, subscribed and paid up

Particulars	As at As at March 31, 2018		As at As at March 31, 2017		As at April 01, 2016	
	No. of shares	Amount( ₹ )	No. of shares	Amount( ₹ )	No. of shares	Amount( ₹ )
<b>Authorised:</b>						
Equity Shares of Rs.10 each	27,00,00,000	2,70,00,00,000	25,00,00,000	2,50,00,00,000	25,00,00,000	2,50,00,00,000
9% Cumulative Compulsory convertible Preference Shares of Rs.10 each	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
<b>Issued, subscribed and fully paid up</b>						
Equity Shares of Rs.10 each	27,00,00,000	2,70,00,00,000	25,00,00,000	2,50,00,00,000	25,00,00,000	2,50,00,00,000
9% Cumulative Compulsory convertible Preference Shares of Rs.10 each	-	-	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
	27,00,00,000	2,70,00,00,000	27,00,00,000	2,70,00,00,000	27,00,00,000	2,70,00,00,000

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

Particulars	As at As at March 31, 2018		As at As at March 31, 2017		As at April 01, 2016	
	No. of shares	Amount( ₹ )	No. of shares	Amount( ₹ )	No. of shares	Amount( ₹ )
At the beginning of the year	25,00,00,000	2,50,00,00,000	25,00,00,000	2,50,00,00,000	25,00,00,000	2,50,00,00,000
Issued during the year as fully paid	2,00,00,000	20,00,00,000	-	-	-	-
At the end of the year	27,00,00,000	2,70,00,00,000	25,00,00,000	2,50,00,00,000	25,00,00,000	2,50,00,00,000

(iii) Terms / rights attached to shares

Equity shares

The Company has equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share held. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

Preference Shares

9% Cumulative Compulsory Convertible Preference Shares (CCCPs):

The Company has converted the 20,000,000 9% Cumulative Redeemable Preference Shares of Rs.10 each to 20,000,000 9% Cumulative Compulsory Convertible Preference Shares of Rs.10 each on June 20, 2012 to be converted on completion of 5 years. Each shareholder of CCCPS will be issued 1 equity share for every preference share held at the end of 5 the year from the date of issue. The preference shareholders have a preference to dividend over the equity shareholders.

(iv) Details of Shares held by Holding Company:

Particulars	As at As at March 31, 2018		As at As at March 31, 2017		As at April 01, 2016	
	No. of shares	Amount( ₹ )	No. of shares	Amount( ₹ )	No. of shares	Amount( ₹ )
<b>MAIF Investments India 3 Pte. Limited, The holding company</b>						
- Equity Shares of Rs. 10 each fully paid	18,90,00,000	1,89,00,00,000	17,50,00,000	1,75,00,00,000	17,50,00,000	1,75,00,00,000
- 9% Cumulative Compulsory Convertible Preference Shares of Rs. 10 each fully paid	-	-	1,40,00,000	14,00,00,000	1,40,00,000	14,00,00,000
	18,90,00,000	1,89,00,00,000	18,90,00,000	1,89,00,00,000	18,90,00,000	1,89,00,00,000

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

Particulars	As at As at March 31, 2018		As at As at March 31, 2017		As at April 01, 2016	
	No. of shares	%	No. of shares	%	No. of shares	%
<b>Equity Shares of Rs. 10 each fully paid</b>						
MAIF Investment India 3 Pte Limited	18,90,00,000	70	17,50,00,000	70	17,50,00,000	70
CIDB Inventures SDN Bhd	8,10,00,000	30	7,50,00,000	30	7,50,00,000	30
	27,00,00,000	100	25,00,00,000	100	25,00,00,000	100
<b>9% Cumulative Compulsory Convertible Preference Shares of Rs. 10 each fully paid</b>						
MAIF Investment India 3 Pte Limited	-	-	1,40,00,000	70	1,40,00,000	70
CIDB Inventures SDN Bhd	-	-	60,00,000	30	60,00,000	30

vi) Aggregate number of bonus shares issued, shares issued other than cash and shares bought back during the period of five years immediately preceding the reporting date. The Company has converted the 20,000,000 9% Cumulative Redeemable Preference Shares of Rs.10 each to 20,000,000 9% Cumulative Compulsory Convertible Preference Shares of Rs.10 each on June 20, 2012 to be converted on completion of 5 years. Each shareholder of CCCPS will be issued 1 equity share for every preference share held at the end of 5 the year from the date of issue. The preference shareholders have a preference to dividend over the equity shareholders.

vii) Calls unpaid : NIL ; Forfeited shares : NIL

Swarna Tollway Private Limited

Statement of Changes in Equity for the period ended March 31, 2018

9 Other Equity as on 31.03.2018

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus					Retained earnings	Total
			Capital reserve	Securities premium reserve	General Reserve	Revaluation Reserve	Debt Redemption Reserve		
Balance at the beginning of the reporting period	-	-	1,62,89,80,000	-	-	-	-	97,48,14,048	2,60,37,94,048
Profit for the year	-	-	-	-	-	-	-	1,04,37,78,937	1,04,37,78,937
- Final Equity Dividend paid to share holders	-	-	-	-	-	-	-	-52,20,00,000	-52,20,00,000
- Transfer to Debt Redemption Reserve	-	-	-	-	-	-	3,64,33,274	-3,64,33,274	-
- Interim Equity Dividend paid to share holders	-	-	-	-	-	-	-	-27,00,00,000	-27,00,00,000
- Dividend distribution tax on dividend on Equity & Preference shares	-	-	-	-	-	-	-	(16,12,32,565)	-16,12,32,565
Other comprehensive income	-	-	-	-	-	-	-	-17,02,827	-17,02,827
Balance at the end of the reporting period	-	-	1,62,89,80,000	-	-	-	3,64,33,274	1,02,72,24,319	2,69,26,37,593

During the year, the company has repaid the debentures existing as on 31-03-2017. Hence the DRR balance existing as at March 31, 2017 has been reversed to Surplus in Statement of Profit and Loss.

The Company issued NCD as on January 30, 2018 in terms of Section 71(4) of the Companies Act, 2013 read with rule 18(7)(b)(iii) of the Companies (Share Capital and Debentures) Rules 2014, the Company being an infrastructure Company is required to create Debt Redemption Reserve to the extent 25% of the value of privately placed NCD's are redeemed, to which adequate amount shall be credited from out of its profits every year.

For the year ended 31 March 2018, the transfer to Debt Redemption Reserve in accordance with above provisions amounts to be Rs. 3,64,33,274.

Other Equity as on 31.03.2017

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus					Retained earnings	Total
			Capital reserve	Securities premium reserve	General Reserve	Revaluation Reserve	Debt Redemption Reserve		
Balance at the beginning of the reporting period	-	-	1,62,89,80,000	-	-	-	-	55,26,55,795	2,18,16,35,795
Profit for the year	-	-	-	-	-	-	-	1,00,66,78,057	1,00,66,78,057
- Transfer to DRR	-	-	-	-	-	-	-	(16,17,70,000)	-16,17,70,000
- Interim Equity Dividend paid to share holders	-	-	-	-	-	-	-	(29,62,50,000)	-29,62,50,000
- Dividend on Preference shares for the year 2014-15 and 2015-16	-	-	-	-	-	-	-	(3,60,00,000)	-3,60,00,000
- Dividend on Preference shares for the year	-	-	-	-	-	-	-	(1,80,00,000)	-1,80,00,000
- Dividend distribution tax on dividend on Equity & Preference shares	-	-	-	-	-	-	-	(7,13,02,658)	-7,13,02,658
Debt Redemption Reserve	-	-	-	-	-	-	16,17,70,000	-	16,17,70,000
Other comprehensive income	-	-	-	-	-	-	-	-11,97,145	-11,97,145
Balance at the end of the reporting period	-	-	1,62,89,80,000	-	-	-	16,17,70,000	97,48,14,048	2,76,55,64,048

The company has issued redeemable non convertible debentures. Accordingly, the companies (share capital and debt) Rules, 2014 9as amended), require the company to create DRR out of the profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of the debentures outstanding as at the reporting date.



10 Borrowings

Particulars	As at As at March 31, 2018			As at As at March 31, 2017			As at April 01, 2016		
	Current Amount (₹)	Non current Amount (₹)	Total Amount (₹)	Current Amount (₹)	Non current Amount (₹)	Total Amount (₹)	Current Amount (₹)	Non current Amount (₹)	Total Amount (₹)
Secured borrowings									
a) Term loans	-	-	-	-	40,81,72,682	40,81,72,682	-	62,60,57,187	62,60,57,187
From banks	-	-	-	-	-	-	-	-	-
b) Debentures	-	93,14,23,792	93,14,23,792	-	-	-	-	-	-
Unsecured borrowings									
Debentures	-	-	-	-	42,12,60,000	42,12,60,000	-	64,70,80,000	64,70,80,000
	-	93,14,23,792	93,14,23,792	-	82,94,32,682	82,94,32,682	-	1,27,31,37,187	1,27,31,37,187

\*Includes the effect of transaction cost paid to lenders on upfront basis.

Details of Long term borrowings

Particulars	Rate of Interest	Terms of repayment
Non convertible Debentures	8.50%	Redeemable in 25 quarterly instalments from June 2021 to June 2027

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

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Long term borrowings	93,14,23,792	82,94,32,682	1,27,31,37,187
Current maturities of long term borrowings	-	44,65,27,144	44,65,17,144

11 Provisions

Particulars	As at As at March 31, 2018			As at As at March 31, 2017			As at April 01, 2016		
	Current Amount (₹)	Non current Amount (₹)	Total Amount (₹)	Current Amount (₹)	Non current Amount (₹)	Total Amount (₹)	Current Amount (₹)	Non current Amount (₹)	Total Amount (₹)
Provisions for Employee Benefits									
- Provision for Gratuity	6,36,562	54,03,613	60,40,175	2,99,027	72,53,635	75,52,662	2,49,723	51,21,558	53,71,281
- Provision for Leave Encashment	3,53,923	15,16,614	18,70,537	1,35,343	8,40,666	9,76,009	1,10,699	6,40,481	7,51,180
Dividend on Preference Shares	-	-	-	2,16,64,376	-	2,16,64,376	-	-	-
Provision for Major Maintenance	-	32,50,93,091	32,50,93,091	-	-	-	-	-	-
Provision for Income Tax	-	-	-	-	-	-	7,89,98,738	-	7,89,98,738
	9,90,485	33,20,13,348	33,30,03,833	2,20,98,736	80,94,301	3,01,93,037	7,93,59,160	57,62,039	8,51,21,199

12 Other financial liabilities

Particulars	As at As at March 31, 2018			As at As at March 31, 2017			As at April 01, 2016		
	Current Amount (₹)	Non current Amount (₹)	Total Amount (₹)	Current Amount (₹)	Non current Amount (₹)	Total Amount (₹)	Current Amount (₹)	Non current Amount (₹)	Total Amount (₹)
Current Maturities of Long term debt									
i) From Banks	-	-	-	22,07,07,144	-	22,07,07,144	22,07,07,144	-	22,07,07,144
ii) Debentures	-	-	-	22,58,20,000	-	22,58,20,000	22,58,10,000	-	22,58,10,000
Total	-	-	-	44,65,27,144	-	44,65,27,144	44,65,17,144	-	44,65,17,144

13 Other liabilities

Particulars	As at As at March 31, 2018			As at As at March 31, 2017			As at April 01, 2016		
	Current Amount (₹)	Non current Amount (₹)	Total Amount (₹)	Current Amount (₹)	Non current Amount (₹)	Total Amount (₹)	Current Amount (₹)	Non current Amount (₹)	Total Amount (₹)
ii) Interest payable on shortfall of advance tax	-	-	-	-	-	-	66,56,236	-	66,56,236
iii) Statutory payables	53,30,781	-	53,30,781	30,33,456	-	30,33,456	25,65,608	-	25,65,608
iv) Advance received from customers	45,01,785	-	45,01,785	43,26,330	-	43,26,330	54,55,320	-	54,55,320
	98,32,566	-	98,32,566	73,59,786	-	73,59,786	1,46,77,164	-	1,46,77,164

14 Trade payables

Particulars	As at As at March 31, 2018		As at As at March 31, 2017		As at April 01, 2016	
	Amount (₹)		Amount (₹)		Amount (₹)	
i) Due to Micro & Small enterprises	-	-	-	-	-	-
ii) Due to related parties	-	-	-	-	-	-
iii) Due to others	18,92,04,642	-	10,20,40,419	-	12,62,57,919	-
	18,92,04,642	-	10,20,40,419	-	12,62,57,919	-

F CONTINGENT LIABILITIES

Contingent liabilities and commitments - NIL (Previous - NIL)

15 Revenue from operations

Particulars	2017-18	2016-17
	Amount( ₹ )	Amount( ₹ )
Operating revenue:		
Toll Collections	1,88,22,18,645	1,60,22,47,362
	<b>1,88,22,18,645</b>	<b>1,60,22,47,362</b>

16 Other Income

Particulars	2017-18		2016-17	
	Amount( ₹ )	Amount( ₹ )	Amount( ₹ )	Amount( ₹ )
Interest income from:				
Bank deposits	3,63,84,375		6,93,20,161	
Others	-		1,03,224	
		3,63,84,375		6,94,23,385
Profit/(loss) on disposal of fixed assets		3,35,302		2,76,251
Profit/(loss) on sale of Investment		1,96,61,621		-
Net gain / (loss) on financial assets designated to FVTPL		1,45,01,182		1,39,22,340
Other income		25,68,647		5,17,16,509
		<b>7,34,51,127</b>		<b>13,53,38,485</b>

17 Maintenance Expenses

Particulars	2017-18	2016-17
	Amount( ₹ )	Amount( ₹ )
Routine Maintenance Expenses	7,96,39,459	8,66,71,924
NH-5 Flood Damage Rehabilitation Works	-	57,31,367
Major Maintenance Expenses	41,28,84,415	4,02,62,986
Maintenance Expenses of Toll Equipment	60,49,162	18,96,128
	<b>49,85,73,036</b>	<b>13,45,62,405</b>

18 Employee Benefit expenses

Particulars	2017-18	2016-17
	Amount( ₹ )	Amount( ₹ )
Salaries, wages and bonus	5,61,84,132	5,66,53,548
Contribution to Provident Fund and other funds	50,09,713	34,65,602
Staff welfare expenses	22,35,820	23,06,312
	<b>6,34,29,665</b>	<b>6,24,25,462</b>

19 Finance costs

Particulars	2017-18	2016-17
	Amount( ₹ )	Amount( ₹ )
Interest expense	12,77,76,099	17,02,74,784
	<b>12,77,76,099</b>	<b>17,02,74,784</b>

**20 Administrative and Other expenses**

Particulars	2017-18	2016-17
	Amount( ₹ )	Amount( ₹ )
Power and Fuel charges	1,92,63,348	2,15,35,633
Rent	4,52,424	3,12,098
Repairs and Maintenance		
-Machinery	14,90,070	34,78,499
-Others	30,72,586	30,64,855
Insurance	83,22,253	75,95,324
Rates and Taxes	35,23,143	38,63,028
Bank / Other finance charges	10,96,466	4,93,602
Outsourced Toll Staff	65,93,929	-
Professional charges	3,97,07,184	4,18,35,717
Communication Expenses	5,80,580	5,26,847
Expenditure towards Corporate Social Responsibility (CSR) activities	93,60,218	75,37,568
Travelling and Conveyance	53,21,398	56,86,195
Loss on Sale/Discard of Assets/Assets transfer to Scrap	27,471	-
Printing and Stationery	20,87,049	24,13,410
Security services	4,47,58,028	3,79,86,644
Lenders Agent Assignment Fee	1,72,500	1,71,750
Miscellaneous Expenses	1,20,89,187	1,33,61,497
	<b>15,79,17,833</b>	<b>14,98,62,667</b>

**20.1 Expenditure towards Corporate Social Responsibility (CSR) activities**

The Company has incurred an amount of Rs. 93,60,218 (previous year : Rs. 75,37,568 ) as a part of CSR activities in respect of the amount of Rs. 86,69,903 computed as per Section 135 of the Companies Act, 2013. The Company had planned CSR activities related to promoting education, rural development and safety awareness has been completed in the current year.

Particulars	2017-18	2016-17
	Amount( ₹ )	Amount( ₹ )
Gross amount required to be spent during the year	86,69,903	63,69,512

Particulars	2017-18	2016-17
	Amount( ₹ )	Amount( ₹ )
Amount Spent during the year and paid in Cash- On Education, rural development and safety awareness in rural areas	93,60,218	75,37,568
Total	93,60,218	75,37,568

**20.2 \*Auditors remuneration (excluding service tax) as follows:**

Particulars	2017-18	2016-17
	Amount( ₹ )	Amount( ₹ )
- Audit Fees	4,50,000	4,50,000
- Tax Audit Fees	85,000	85,000
- Other certification	23,450	-
	<b>5,58,450</b>	<b>5,35,000</b>

**21 Other Comprehensive Income/ (Expense)**

Particulars	2017-18		2016-17	
	Amount( ₹ )	Amount( ₹ )	Amount( ₹ )	Amount( ₹ )
Reclassifiable to profit or loss in subsequent periods	-		-	
Not reclassifiable to profit or loss in subsequent periods	-21,64,838		(15,21,955)	
Re-estimation of provision for defined benefit plan	-		-	
Less: Tax on the adjustment	4,62,011		3,24,810	
		<b>(17,02,827)</b>		<b>(11,97,145)</b>

#### Transition to Ind AS

These are the company's first standalone financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note I have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (the company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP or IGAAP).

#### A. Exemptions and exceptions availed

In preparing these Ind AS financial statements, the company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the company in restating its previous GAAP financial statements, including the Balance Sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

#### Ind AS optional exemptions

##### Deemed cost

The company has elected to measure certain items of property, plant and equipment at fair value at the date of transition to Ind AS. Hence at the date of transition to Ind AS, measured as per the previous GAAP and use the same as deemed cost as on the date of transition to Ind AS.

##### Ind AS mandatory exceptions

##### Estimates

The company's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

#### B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires the company to reconcile equity, total comprehensive income for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at date of transition April 1, 2016 and as on March 31, 2017.

Swarna Tollway Private Limited							
Particulars	Note	IGAAP Amount( ₹ )	Effects of IND AS Transition Amount( ₹ )	April 01, 2016 Amount( ₹ )	IGAAP Amount( ₹ )	Effects of IND AS Transition Amount( ₹ )	March 31, 2017 Amount( ₹ )
<b>ASSETS</b>							
<b>Non-current assets</b>							
a) Property, Plant and Equipment	1	4,94,18,496	-	4,94,18,496	4,85,16,882	-	4,85,16,882
b) Intangible assets	2	5,33,17,30,639	-	5,33,17,30,639	5,12,57,74,828	-	5,12,57,74,828
c) Financial Assets							
i) Loans & Advances	3	20,22,88,245	19,98,00,000	24,88,245	41,90,28,017	41,62,74,813	27,53,204
ii) Other financial assets	4	-	(2,04,50,119)	2,04,50,119	-	(1,03,774)	1,03,774
d) Other non-current assets	5	1,80,24,634	(17,17,75,366)	18,98,00,000	10,873	(40,65,88,750)	40,65,99,623
	A	5,60,14,62,014	75,74,515	5,59,38,87,499	5,59,33,30,600	95,82,289	5,58,37,48,311
<b>Current assets</b>							
a) Financial Assets							
i) Investments	6	-	-	-	58,34,32,204	(1,39,22,339)	59,73,54,543
ii) Cash and bank balances	7	1,19,19,72,060	-	1,19,19,72,060	66,69,99,018	-	66,69,99,018
iii) Loans & Advances	3	59,70,014	(40,29,986)	1,00,00,000	91,94,362	(8,05,638)	1,00,00,000
iv) Other financial assets	4	-	(2,59,98,933)	2,59,98,933	-	(1,68,58,659)	1,68,58,659
b) Other current assets	5	2,79,42,321	2,24,54,404	54,87,917	1,39,13,793	77,57,198	61,56,595
	B	1,22,58,84,395	(75,74,515)	1,23,34,58,910	1,27,35,39,377	(2,38,29,438)	1,29,73,68,815
<b>TOTAL</b>	A+B	6,82,73,46,409	-	6,82,73,46,409	6,86,68,69,977	(1,42,47,149)	6,88,11,17,126
<b>EQUITY AND LIABILITIES</b>							
<b>EQUITY</b>							
a) Equity Share capital	8	2,70,00,00,000	-	2,70,00,00,000	2,70,00,00,000	-	2,70,00,00,000
b) Other Equity	9	2,17,52,57,918	(63,77,877)	2,18,16,35,795	2,74,77,61,654	(1,78,02,394)	2,76,55,64,048
	C	4,87,52,57,918	(63,77,877)	4,88,16,35,795	5,44,77,61,654	(1,78,02,394)	5,46,55,64,048
<b>LIABILITIES</b>							
<b>Non-current liabilities</b>							
a) Financial liabilities							
i) Borrowings	10	1,27,95,15,064	63,77,877	1,27,31,37,187	83,29,87,927	35,55,245	82,94,32,682
b) Provisions	11	57,62,039	-	57,62,039	80,94,301	-	80,94,301
	D	1,28,52,77,103	63,77,877	1,27,88,99,226	84,10,82,228	35,55,245	83,75,26,983
<b>Current liabilities</b>							
a) Financial liabilities							
i) Trade Payables	14	12,62,57,919	-	12,62,57,919	10,20,40,419	-	10,20,40,419
ii) Other Financial Liabilities	12	-	(44,65,17,144)	44,65,17,144	-	(44,65,27,144)	44,65,27,144
b) Other current liabilities	13	46,11,94,308	44,65,17,144	1,46,77,164	45,38,86,930	44,65,27,144	73,59,786
c) Provisions	11	7,93,59,161	-	7,93,59,161	2,20,98,747	-	2,20,98,746
	E	66,68,11,388	-	66,68,11,388	57,80,26,096	-	57,80,26,095
<b>Total Equity and Liabilities</b>	C+D+E	6,82,73,46,409	-	6,82,73,46,409	6,86,68,69,977	(1,42,47,149)	6,88,11,17,126

**Note A**

Under IGAAP, quoted investments measured at cost while under IND AS, the same have been classified as available-for-sale financial assets and re-measured at fair value.

**Note B**

Under IGAAP, upfront fees paid on loan is expensed off as and when incurred while under IND AS, such fees is considered while determining amortised value of loan.

**Note C**

Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.

## Swarna Tollway Private Limited

## Statement of Profit and loss for the year ended March 31, 2017

Particulars	Note	IGAAP	Effects of IND AS Transition	Ind As
		Amount( ₹ )	Amount( ₹ )	Amount( ₹ )
<b>REVENUE</b>				
Revenue from Operations	15	1,60,22,47,362	-	1,60,22,47,362
Other income	16	12,14,16,145	(1,39,22,340)	13,53,38,485
<b>Total Revenue</b>	<b>A</b>	<b>1,72,36,63,507</b>	<b>(1,39,22,340)</b>	<b>1,73,75,85,847</b>
<b>EXPENSES</b>				
a) Maintenance expenses	17	13,45,62,405	-	13,45,62,405
b) Employee benefits expenses	18	6,39,47,417	15,21,955	6,24,25,462
c) Finance Costs	19	16,74,52,152	(28,22,632)	17,02,74,784
d) Depreciation and Amortisation expenses	1 & 2	21,37,82,472	-	21,37,82,472
e) Administration and Other Expenses	20	14,98,62,667	-	14,98,62,667
<b>Total Expenses</b>	<b>B</b>	<b>72,96,07,113</b>	<b>(13,00,677)</b>	<b>73,09,07,790</b>
<b>Profit/(loss) before tax</b>	<b>A-B</b>	<b>99,40,56,394</b>	<b>(1,26,21,663)</b>	<b>1,00,66,78,057</b>
Tax Expense:				
Current tax		21,22,00,000	(3,24,810)	21,25,24,810
MAT credit entitlement		(21,22,00,000)	3,24,810	(21,25,24,810)
<b>Profit/(loss) after tax for the year</b>		<b>99,40,56,394</b>		<b>1,00,66,78,057</b>
<b>Prior period adjustments</b>		<b>-</b>		<b>-</b>
<b>Profit for the year</b>		<b>99,40,56,394</b>		<b>1,00,66,78,057</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>(11,97,145)</b>	<b>(11,97,145)</b>
i) Not reclassifiable to profit or loss in subsequent periods		<b>-</b>	<b>(11,97,145)</b>	<b>(11,97,145)</b>
<b>Total Comprehensive Income for the year</b>		<b>99,40,56,394</b>		<b>1,00,54,80,911</b>
Earnings per equity share		3.27		3.94
Diluted EPS		3.27		3.73
Face value per equity share		10.00		10.00

**Note A**

Under IGAAP, quoted investments measured at cost while under IND AS, the same have been classified as available-for-sale financial assets and re-measured at fair value.

**Note B**

Actuarial Gain/Loss is reclassified to Other Comprehensive Income

**Note C**

Under IND AS, Upfront cost paid on loan is amortised over the period of loan.

1 Corporate Information

The Company is a Special Purpose Vehicle incorporated by CIDB Inventures Sdn Bhd and other promoters, in pursuance of a Concession Agreement with National Highways Authority of India (NHAI) for the widening, rehabilitation and maintenance of the existing two-lane Highway into four-lane on the Tada-Nellore Section of National Highway NH-5(revised NH-16) and Ibrahimpatnam - Nandigama Section of National Highway NH-9(revised NH-65) on build, operate and transfer (BOT) basis for a period of 30 years beginning from the year 2001.

2 The Company has not earned any income/incurred any expenditure in foreign currency during the year.

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

(i) Defined contribution plan:

An amount of 50,09,713 (previous year : 34,65,602 ) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense (Note 18 ) in the Statement of Profit and loss.

(ii) Defined benefit plans:

A. Change in Defined Benefit Obligation

Particulars	Gratuity		Leave Encashment	
	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018
Defined Benefit Obligation at the beginning	69,99,958	78,82,189	7,51,180	9,76,009
Current Service Cost	3,68,339	4,42,007	66,999	80,399
Past Service Cost	-	-	-	-
(Gain) / Loss on settlements	-	-	-	-
Interest Expense	5,59,997	6,10,145	60,094	64,717
Benefit Payments from Plan Assets	-13,72,149	-5,10,749	-	-
Benefit Payments from Employer	-	-	-98,175	-3,34,103
Settlement Payments from Plan Assets	-	-	-	-
Settlement Payments from Employer	-	-	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-	-	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-	-	-	-
Increase / (Decrease) due to Plan combination	-	-	-	-
Remeasurements - Due to Demographic Assumptions	-	-	-	-
Remeasurements - Due to Financial Assumptions	-	-	-	-
Remeasurements - Due to Experience Adjustments	13,26,044	10,35,035	1,95,911	10,83,545
Defined Benefit Obligation at the end	78,82,189	94,58,627	9,76,009	18,70,567
Discount Rate	8.00%	8.00%	8.00%	8.00%
Salary Escalation Rate	5.00%	5.00%	5.00%	5.00%

B. Change in Fair Value of Plan Assets

Particulars	Gratuity		Leave Encashment	
	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018
Fair Value of Plan Assets at the beginning	16,28,677	3,29,527	-	-
Interest Income	72,999	1,45,932	-	-
Employer Contributions	-	35,00,000	-	-
Employer Direct Benefit Payments	-	-	98,175	3,34,103
Employer Direct Settlement Payments	-	-	-	-
Benefit Payments from Plan Assets	-13,72,149	-5,10,749	-	-
Benefit Payments from Employer	-	-	-98,175	-3,34,103
Settlement Payments from Plan Assets	-	-	-	-
Settlement Payments from Employer	-	-	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-	-	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-	-	-	-
Increase / (Decrease) due to Plan combination	-	-	-	-
Remeasurements - Return on Assets (Excluding Interest Income)	-	-46,258	-	-
Fair Value of Plan Assets at the end	3,29,527	34,18,452	-	-

Weighted Average Asset Allocations at the end of current period

Particulars	Gratuity		Leave Encashment	
	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018
Equities	-	-	-	-
Bonds	-	-	-	-
Gilts	-	-	-	-
Insurance Policies	100%	100%	0%	0%
Total	0%	0%	0%	0%

**C. Changes in Reimbursement Rights**

Particulars	Gratuity		Leave Encashment	
	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018
Reimbursement Rights at the beginning	-	-	-	-
Reimbursement Service Cost	-	-	-	-
Gain/ (loss) on Settlements	-	-	-	-
Interest Income	-	-	-	-
Employer Contributions to Reimbursement Rights	-	-	-	-
Reimbursements to Employer	-	-	-	-
Increase / (Decrease) due to effect of any business combination / divesture / transfer)	-	-	-	-
Increase / (Decrease) due to Plan combination	-	-	-	-
Benefits paid by the Company in prior valuation period and settled by Fund Manager in current 3 Quarter	-	-	-	-
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	-	-	-	-
Remeasurements - Return on Reimbursement Rights (Excluding Interest Income)	-	-	-	-
Reimbursement Rights at the end	-	-	-	-

**D. Change in Asset Ceiling / Onerous Liability**

Particulars	Gratuity		Leave Encashment	
	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018
Asset Ceiling / Onerous Liability at the beginning	-	-	-	-
Interest Income	-	-	-	-
Gain / (Loss) on Settlements	-	-	-	-
Remeasurement - Due to Asset Ceiling / Onerous Liability (Excluding Interest Income)	-	-	-	-
Asset Ceiling / Onerous Liability at the end	-	-	-	-

**E. Components of Defined Benefit Cost**

Particulars	Gratuity		Leave Encashment	
	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018
Current Service Cost	3,68,339	4,42,007	66,999	80,399
Past Service Cost	-	-	-	-
(Gain) / Loss on Settlements	-	-	-	-
Reimbursement Service Cost	-	-	-	-
<b>Total Service Cost</b>	<b>3,68,339</b>	<b>4,42,007</b>	<b>66,999</b>	<b>80,399</b>
Interest Expense on DBO	5,59,997	6,10,145	60,094	64,717
Interest (Income) on Plan Assets	-72,999	-1,45,932	-	-
Interest (Income) on Reimbursement Rights	-	-	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-	-	-
<b>Total Net Interest Cost</b>	<b>4,86,998</b>	<b>4,64,213</b>	<b>60,094</b>	<b>64,717</b>
Reimbursement of Other Long Term Benefits	-	-	-	-
<b>Defined Benefit Cost included in P &amp; L</b>	<b>8,55,337</b>	<b>9,06,220</b>	<b>1,27,093</b>	<b>1,45,116</b>
Remeasurements - Due to Demographic Assumptions	-	-	-	-
Remeasurements - Due to Financial Assumptions	-	-	-	-
Remeasurements - Due to Experience Adjustments	13,26,044	10,35,035	1,95,911	10,83,545
(Return) on Plan Assets (Excluding Interest Income)	-	46,258	-	-
(Return) on Reimbursement Rights	-	-	-	-
Changes in Asset Ceiling / Onerous Liability	-	-	-	-
<b>Total Remeasurements in OCI</b>	<b>13,26,044</b>	<b>10,81,293</b>	<b>1,95,911</b>	<b>10,83,545</b>
<b>Total Defined Benefit Cost recognized in P&amp;L and OCI</b>	<b>21,81,381</b>	<b>19,87,513</b>	<b>3,23,004</b>	<b>12,28,661</b>
Discount Rate	8.00%	8.00%	8.00%	8.00%
Salary Escalation Rate	5.00%	5.00%	5.00%	5.00%

**F. Bifurcation of Present Value of Obligations at the end of the valuation period as per revised Schedule III of the Companies Act, 2013**

Particulars	Gratuity		Leave Encashment	
	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018
Current Liabilities	2,99,027	6,36,562	1,35,343	3,53,923
Non- current Liabilities	75,83,162	88,22,065	8,40,666	15,16,643

**G. Amounts recognized in the Statement of Financial Position**

Particulars	Gratuity		Leave Encashment	
	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018
Defined Benefit Obligation	78,82,189	94,58,627	9,76,009	18,70,567
Fair Value of Plan Assets	3,29,527	34,18,452	-	-
<b>Funded Status</b>	<b>75,52,662</b>	<b>60,40,175</b>	<b>9,76,009</b>	<b>18,70,567</b>
Effect of Asset Ceiling / Onerous Liability	-	-	-	-
<b>Net Defined Benefit Liability / (Asset)</b>	<b>75,52,662</b>	<b>60,40,175</b>	<b>9,76,009</b>	<b>18,70,567</b>
Of which, Short term Liability	2,99,027	6,36,562	1,35,343	3,53,923



**H. Net Defined Benefit Liability / (Asset) reconciliation**

Particulars	Gratuity		Leave Encashment	
	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018
Net Defined Benefit Liability / (Asset) at the beginning	53,71,281	75,52,662	7,51,180	9,76,009
Defined Benefit Cost included in P & L	8,55,337	9,06,220	1,27,093	1,45,115
Total Remeasurements included in OCI	13,26,044	10,81,293	1,95,911	10,83,545
Net Transfer In / (Out) (Including the effect of any business combination / divestiture)	-	-	-	-
Amount recognized due to Plan Combinations	-	-	-	-
Employer Contributions	-	-35,00,000	-	0
Employer Direct Benefit Payments	-	-	-98175	-334103
Employer Direct Settlement Payments	-	-	-	-
Credit to Reimbursements	-	-	-	-
Net Defined Benefit Liability / (Asset) at the end	75,52,662	60,40,175	9,76,009	18,70,566

**I. Experience Adjustments on Present Value of DBO and Plan Assets**

Particulars	Gratuity		Leave Encashment	
	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018
(Gain) / Loss on Plan Liabilities	13,26,044	10,35,035	1,95,911	10,83,545
% of Opening Plan Liabilities	18.94%	13.13%	26.08%	111.02%
Gain / (Loss) on Plan Assets	-	93742	-	-
% of Opening Plan Assets	-	0.2845	-	-

**J. A quantitative sensitivity analysis for significant assumption as at 31 March 2017**

Particulars	Gratuity		Leave Salary Encashment	
	As at March 31, 2018		As at March 31, 2018	
	Change	Obligation	Change	Obligation
i) Discount Rate	1%	86,90,566	1%	17,97,870
	-1%	1,03,42,708	-1%	19,49,959
ii) Salary Escalation	1%	1,04,14,702	1%	19,62,428
	-1%	86,17,338	-1%	17,84,985
iii) Attrition Rates	1%	96,45,268	1%	18,82,527
	-1%	92,49,609	-1%	18,57,773

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

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

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

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

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

**a) List of related parties**

Ultimate Holding Company	Macquaire Group Limited, Australia
Holding Company	MAIF Investment India 3 Pte Ltd, Singapore
Fellow subsidiary Company	MIRA India Management Services Private Limited, India

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

Particulars	As at March 31, 2018	As at March 31, 2017
	Amount( ₹ )	Amount( ₹ )
(i) Professional Services Fellow subsidiary Company MIRA India Management Services Private Limited	2,25,74,703	2,09,86,916
	2,25,74,703	2,09,86,916

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

Particulars	Amount( ₹ )	
	Amounts due (to)/from	
	As at March 31, 2018	As at March 31, 2017
(i) Professional Services Fellow subsidiary Company MIRA India Management Services Private Limited	52,99,221	28,35,068

d) There is no provision for bad and doubtful debts to related parties with regard to outstanding expenses and there is no expense recognized in respect of bad and doubtful debts due from related parties.

**7 Disclosure pursuant to Ind AS 17 "Leases"**

The Company has not entered into any finance lease. The Company has taken premises under operating lease. The lease expenses in respect of these operating lease has been recognised as rent, Current year Rs.4,52,424 (Previous Year Rs. 3,12,018) and included under Note 21 in statement of Profit & Loss A/c.

**Swarna Tollway Private Limited**  
**Notes forming part of Financial Statements**

**8 Disclosure pursuant to IND AS 12 - "Income Taxes"**

The major components of income tax expense for years ended 31 March 2018 and 31 March 2017 are:

Particulars	As at March 31, 2018 Amount( ₹ )	As at March 31, 2017 Amount( ₹ )
Current Income Tax:		
Current Income Tax Charge	18,82,34,819	21,25,24,810
Adjustments of current tax of previous year	-	-
	<b>18,82,34,819</b>	<b>21,25,24,810</b>

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and for 31 March 2017

Particulars	As at March 31, 2018 Amount( ₹ )	As at March 31, 2017 Amount( ₹ )
Accounting profit before tax from continuing operations	88,20,08,937	1,00,66,78,057
Profit / Loss from discontinued operations	-	-
<b>Accounting profit before income tax</b>	<b>88,20,08,937</b>	<b>1,00,66,78,057</b>
At India's Statutory income tax rate of 34.608% (31 March 2017- 34.608%)	30,52,45,653	34,83,91,142
Transition related adjustments	-	-
Unrecognised MAT credit entitlement	18,82,34,819	21,25,24,810
Utilisation of previously unrecognised tax losses	-	-
Deduction u/s 80 IA	30,52,45,653	34,83,91,142
Other non deductible expenses	-	-
	<b>18,82,34,819</b>	<b>21,25,24,810</b>
Income tax expense reported in the statement of profit and loss	<b>18,82,34,819</b>	<b>21,25,24,810</b>
Income tax attributable to discontinued operations	-	-
	<b>18,82,34,819</b>	<b>21,25,24,810</b>

**Deferred Tax**

Particulars	March 31, 2018	March 31, 2017
<b>Deferred Tax Asset</b>		
Provisions	11,31,91,101	28,98,895
Tangible Assets	47,85,727	-
Unabsorbed Depreciation	35,56,00,382	35,56,00,382
<b>Deferred Tax Liability</b>		
Intangible assets (Carriage way Rights)	21,83,20,180	21,83,20,180
Tangible Assets	-	8,52,674
Unabsorbed depreciation	-	-
<b>Deferred Tax asset (Net)</b>	<b>25,52,57,030</b>	<b>13,93,26,424</b>

Items for which no deferred tax asset is recognised in the balance sheet

Particulars	As at March 31, 2018		
	Base amount	Deferred tax	Expiry date
Provisions	33,30,12,948	11,31,91,101	Not Applicable
Tangible Assets	1,40,79,808	47,85,727	
Unabsorbed Depreciation	1,04,61,91,180	35,56,00,382	
Intangible assets (Carriage way Rights)	-64,23,07,089	-21,83,20,180	

9 Disclosure pursuant to Ind AS 33 "Earnings per share"

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

Particulars		2017-18 Amount( ₹ )	2016-17 Amount( ₹ )
<b>a) Basic</b>			
Profit after tax as per accounts (Rs)		88,20,08,937	1,00,66,78,057
Less : Preference dividend for the year on Cumulative Compulsory convertible preference shares above [Including dividend distribution tax applicable]		-	2,16,64,376
Adjusted Profit	A	88,20,08,937	98,50,13,681
Weighted average number of shares outstanding	B	27,00,00,000	25,00,00,000
<b>Basic Earnings/(Loss) per share (Rs.) [A/B]</b>	A / B	3.27	3.94
<b>b) Diluted</b>			
Adjusted Profits- A		88,20,08,937	98,50,13,681
Add: Preference dividend for the year on Cumulative Compulsory convertible preference shares above [Including dividend distribution tax applicable]		-	2,16,64,376
Net Profit for calculation of Diluted EPS		88,20,08,937	1,00,66,78,057
Weighted average number of shares for calculation of Diluted EPS		27,00,00,000	27,00,00,000
<b>Diluted Earnings/(Loss) per share (Rs.)</b>		3.27	3.73
Face value per equity share (Rs)		10.00	10.00

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

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:

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

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

**a) Nature of provisions:**

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

For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally periodic maintenance includes resurface of pavements, repairs of structures and other Equipments and maintenance of service roads.

As per Concession Agreement, the periodic maintenance is to be carried out once every 5 years. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for the accounts annually.

**b) Movement in provisions:**

Particulars	Amount( ₹ )	
	2017-18	2016-17
Opening Balance	-	-
Additional provision	32,50,93,091	-
Utilised	-	-
Total	32,50,93,091	-

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

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

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

**13 First time adoption of Ind AS**

These financial statements, for the year ended 31 March 2018, Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 30 June 2017, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

**14 Transition adjustments**

The following is a brief summary of the GAAP adjustments made by the Company on account of transition to IndAS from the previous GAAP.

**(i) Borrowings**

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised over the tenor of the loan. For transition to IndAS, such transaction costs are adjusted with the fair value of the borrowings on initial recognition. Interest on the borrowings is accounted under the Effective Interest Rate method (EIR). Accordingly borrowings as at 31 March 2016 have been reduced by ` 1,46,06,800. Consequently an amount of ` 1,46,06,800 has been adjusted to retained earnings.

**(ii) Current investments**

Under Indian GAAP, investment in mutual funds were stated at lower of cost and fair value. Any gain/loss on disposal was accounted for in the statement of profit and loss. For transition, mutual fund investments are categorised as Financial instruments at Fair Value Through Profit or Loss (FVTPL). Any unrealised gains/losses are included in the carrying amount of such investments as at the reporting date. Consequently the carrying amount of mutual fund investments is increased by ` 1,39,22,339 and ` 1,45,01,182 for 2016-17 & 2017-18 with a corresponding increase in the Statement of Total Comprehensive Income respectively.

Disclosure of Financial Instruments

15 Disclosure of Financial Instruments by Category

15.1 Financial instruments by categories	Note no.	As at March 31, 2018			As at March 31, 2017			As at April 01, 2016			Amount(₹)
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost	
<b>Financial asset</b>											
Investments	6	83,23,17,345	-	-	59,73,54,543	-	-	-	-	-	-
Loans & advances	3	-	-	1,30,24,704	-	-	1,27,53,204	-	-	-	1,24,88,245
Cash and cash equivalents	7	-	-	39,33,53,091	-	-	66,69,99,018	-	-	-	1,19,19,72,039
Other Financial Assets	4	-	-	89,15,677	-	-	1,69,62,433	-	-	-	4,64,49,032
<b>Total Financial Asset</b>		<b>83,23,17,345</b>	<b>-</b>	<b>41,52,93,472</b>	<b>59,73,54,543</b>	<b>-</b>	<b>69,67,14,655</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,25,09,09,356</b>
<b>Financial liability</b>											
Term Loan from Banks & others	10	-	-	93,14,23,792	-	-	82,94,32,682	-	-	-	1,27,31,37,187
Trade Payables	14	-	-	18,92,04,642	-	-	10,20,40,419	-	-	-	12,62,57,919
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>1,12,06,28,434</b>	<b>-</b>	<b>-</b>	<b>93,14,73,101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,39,93,95,106</b>

15.2 Default and breaches

There are no defaults with respect to payment of principal, 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 asset and liabilities at amortized cost

Particular	Note no.	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016		Amount(₹)
		Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	
<b>Financial Assets</b>								
Loans & advances	3	1,30,24,704	1,30,24,704	1,27,53,204	1,27,53,204	1,24,88,245	1,24,88,245	
Cash and cash equivalents	7	39,33,53,091	39,33,53,091	66,69,99,018	66,69,99,018	1,19,19,72,039	1,19,19,72,039	
Other Financial Assets	4	89,15,677	89,15,677	1,69,62,433	1,69,62,433	4,64,49,032	4,64,49,032	
<b>Total Financial Assets</b>		<b>41,52,93,472</b>	<b>41,52,93,472</b>	<b>69,67,14,655</b>	<b>69,67,14,655</b>	<b>1,25,09,09,356</b>	<b>1,25,09,09,356</b>	
<b>Financial liability</b>								
Term Loan from Banks & others	10	93,14,23,792	93,14,23,792	82,94,32,682	82,94,32,682	1,27,31,37,187	1,27,31,37,187	
Trade Payables	14	18,92,04,642	18,92,04,642	10,20,40,419	10,20,40,419	12,62,57,919	12,62,57,919	
<b>Total Financial Liabilities</b>		<b>1,12,06,28,434</b>	<b>1,12,06,28,434</b>	<b>93,14,73,101</b>	<b>93,14,73,101</b>	<b>1,39,93,95,106</b>	<b>1,39,93,95,106</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 Loan and Loan from Related Party approximate fair value as the instruments are at prevailing market rate.

17 Fair Value Measurement

Fair Value Measurement of Financial assets and Financial Liabilities

Fair value hierarchy

As at March 31, 2018

Amount( ₹ )

Financial Asset & Liabilities Measured at FV - Recurring FVM	Note No.	Level 1	Level 2	Level 3	Total
Financial asset measured at FVTPL					
Investments in Mutual Funds	6	83,23,17,345			
Total of Financial Assets		83,23,17,345	-	-	-

Financial Liabilities measured at FVTPL

Total of Financial Liabilities

-	-	-	-
-	-	-	-

Amount( ₹ )

Financial Asset & Liabilities Measured at Amortized cost for which fair values are to be disclosed	Note No.	Level 1	Level 2	Level 3	Total
Financial Assets					
Loans & advances	3	-	1,30,24,704	-	1,30,24,704.00
Other Financial Assets	4	-	89,15,677	-	89,15,677.00
Total of Financial Assets		-	2,19,40,381	-	2,19,40,381.00
Financial Liabilities					
Term Loan from Banks & Others	10	-	93,14,23,792	-	93,14,23,792.18
Trade Payables	14	-	18,92,04,642	-	18,92,04,642.25
Total of Financial Liabilities		-	1,12,06,28,434	-	1,12,06,28,434.43

As at March 31, 2017

Amount( ₹ )

Financial Asset & Liabilities Measured at FV - Recurring FVM	Note No.	Level 1	Level 2	Level 3	Total
Financial asset measured at FVTPL					
Investments in Mutual Funds	6	59,73,54,543	-	-	59,73,54,542.79
Total of Financial Assets		59,73,54,543	-	-	59,73,54,542.79

Financial Liabilities measured at FVTPL

Total of Financial Liabilities

-	-	-	-
-	-	-	-

Amount( ₹ )

Financial Asset & Liabilities Measured at Amortized cost for which fair values are to be disclosed	Note No.	Level 1	Level 2	Level 3	Total
Financial Assets					
Loans & advances	3	-	1,27,53,204	-	1,27,53,204.00
Other Financial Assets	4	-	1,69,62,433	-	1,69,62,433.00
Total of Financial Assets		-	2,97,15,637	-	2,97,15,637.00
Financial Liabilities					
Term Loan from Banks	10	-	82,94,32,682	-	82,94,32,682.00
Trade Payables	14	-	10,20,40,419	-	10,20,40,419.00
Total of Financial Liabilities		-	93,14,73,101	-	93,14,73,101.00

As at April 1, 2016

Amount( ₹ )

Financial Asset & Liabilities Measured at FV - Recurring FVM	Note No.	Level 1	Level 2	Level 3	Total
Financial asset measured at FVTPL					
Investments in Mutual Funds	6	-	-	-	-
Total of Financial Assets		-	-	-	-

Financial Liabilities measured at FVTPL

Total of Financial Liabilities

-	-	-	-
-	-	-	-

Amount( ₹ )

Financial Asset & Liabilities Measured at Amortized cost for which fair values are to be disclosed	Note No.	Level 1	Level 2	Level 3	Total
Financial Assets					
Loans & advances	3	-	1,24,88,245	-	1,24,88,245.00
Other Financial Assets	4	-	4,64,49,052	-	4,64,49,052.00
Total of Financial Assets		-	5,89,37,297	-	5,89,37,297.00
Financial Liabilities					
Term Loan from Banks	10	-	1,27,31,37,187	-	1,27,31,37,187.00
Trade Payables	14	-	12,62,57,919	-	12,62,57,919.00
Total of Financial Liabilities		-	1,39,93,95,106	-	1,39,93,95,106.00

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>		
Security deposit & other loans and advances	Income	Cash flow
<b>Financial liabilities</b>		
Term Loan from Banks	Income	Effective rate of borrowing
Other financial liabilities	Income	Cash flow

18 Asset pledged as security

Particulars	Note no	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
		Amount( ₹ )	Amount( ₹ )	Amount( ₹ )
<b>Non Financial Asset</b>				
Property, Plant & Equipment	1	6,75,87,086	4,85,16,882	4,94,18,496
Intangible asset	2	4,90,76,93,264	5,12,57,74,828	5,33,17,30,639
Loans & Advances	3	1,30,24,704	1,27,53,204	1,24,88,245
Other Financial Assets	4	89,15,677	1,69,62,433	4,64,49,052
<b>Financial Asset</b>				
Cash and Cash Equivalents	7	39,33,53,091	66,69,99,018	1,19,19,72,059
<b>TOTAL</b>		<b>5,39,05,73,822</b>	<b>5,87,10,06,365</b>	<b>6,63,20,58,491</b>



## 19 Disclosure in pursuant to Ind AS 107- Financial Instruments:

### 19.1 Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyse 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.

#### 19.2 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.

##### 19.2.1 Foreign Currency Risk

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

The company is not exposed to foreign currency risk as it has no borrowing in foreign currency.

##### 19.2.2 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. The Interest risk arises to the company mainly from Long term borrowings with variable rates. The company measures risk. The company has borrowings in the form of debentures which carry fixed interest rate. Hence the company is not exposed to interest rate risk as on 31.03.2018.

The company's exposure to interest rate risk due to variable interest rate for the earlier years is as follows:

Particulars	31.03.2018	31.03.2017	01.04.2016
Debt from Banks - Variable rate borrowings	-	40,81,72,682	62,60,57,187

#### Sensitivity analysis based on average outstanding Debt

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	FY 2017-18	FY 2016-17
Increase or decrease in interest rate by 25 basis point	-	12,92,787

Note: Profit will increase in case of decrease in interest rate and vice versa

Note: The company has borrowings in the form of debentures which carry fixed interest rate. Hence the company is not exposed to interest rate risk as on 31.03.2018.

##### 19.2.3 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 measures risk through sensitivity analysis.

The company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The company's exposure to price risk due to investments in mutual fund is as follows:

Particulars	Note No	31.03.2018	31.03.2017	01.04.2016
Investments in Mutual Funds	6	83,23,17,345	59,73,54,543	-

#### Sensitivity Analysis

Particulars	Impact on Profit / Loss after Tax	
	31.03.2018	31.03.2017
Increase or decrease in NAV by 1%	83,23,173	59,73,545

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

#### 19.2.4 Liquidity risk

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

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

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following are the contractual maturities of financial liabilities

As at March 31, 2018	Carrying Amount	upto 1 year	1 - 2 years	> 3 years
<b>Non Derivative Financial Liability</b>				
Debentures	93,14,23,792	-	-	93,14,23,792.18
Trade Payables	18,92,04,642	18,92,04,642	-	-

As at March 31, 2017	Carrying Amount	upto 1 year	1 - 2 years	> 3 years
<b>Non Derivative Financial Liability</b>				
Debt from Banks	40,81,72,682	22,07,07,144	22,07,07,144	-3,32,41,606
Trade Payables	10,20,40,419	10,20,40,419	-	-

As at April 01, 2016	Carrying Amount	upto 1 year	1 - 2 years	> 3 years
<b>Non Derivative Financial Liability</b>				
Debt from Banks	62,60,57,187	-	22,07,07,144	40,53,50,043
Trade Payables	12,62,57,919	12,62,57,919	-	-

#### 19.2.5 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The company generally does not have trade receivables as collection of toll income coincide as and when the traffic passes through toll - plazas. The company has other receivables primarily from government authority i.e. NHAI. Hence, the management believes that the company is not exposed to any credit risk.

**Swarna Tollway Private Limited**  
**Notes forming part of Financial Statements**

**20. Disclosure Under Appendix B to Ind AS 11**

Description of the arrangement	Significant terms of the arrangement	
Construction, operation and maintenance of the Toll Road on Design, Build, Finance , operate and Transfer basis	Period of the Concession	A period of 30 years from appointed date
	Remuneration	Fare collection Rights/User Fee from the users of the Toll Road.
	Conditions of Pricing	As per notification issued by NHAI from time to time.
	Infrastructure return at the end of the concession period	Being BOT project , the project assets have to be transferred at the end of concession period
	Obligations & Rights	The Concessionaire shall at its own cost and expense undertake, comply with and perform, in addition to and not in derogation of its obligations elsewhere setout in Concession Agreement.  The Concessionaire has the right to collect the Toll from users of the Toll Road.
	Changes in the arrangement occurring during the period	Any changes in the arrangement like change in the Shareholding etc needs approval from the NHAI.
	Classification of Service Arrangement	The service arrangement has been classified as a Service Concession Arrangement for a PPP project as per Appendix A to Ind AS 11- Construction Contracts; accordingly construction revenues and expenses are accounted during construction phase and intangible asset is recognised towards rights to charge the users of the system.

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

## 1 Basis of preparation

### (a) Compliance with IndAS

The Company's financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements upto to the year ended 31 March 2017 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 as amended and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer H (14) and H (15) for an explanation on how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

### (b) Basis of measurement

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

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

### (c) Use of estimates and judgements

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

### (d) Measurement of fair values

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

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

## 2 Presentation of financial statements

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

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

## 3 Revenue recognition

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

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

- Toll collections from the users of the infrastructure facility constructed by the Company under the Service Concession Arrangement is accounted for based on actual collection, net of revenue share payable under the Concession agreement wherever applicable. Revenue from sale of smart cards is accounted on cash basis.
- Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate. Interest income on non-performing assets is recognised upon realisation, as per guide lines issued by Reserve Bank of India.
- 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.

#### 4 Cash and bank balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Bank overdrafts which are repayable on demand are 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. 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 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.

Category of Property, Plant and Equipment	Estimated useful life (in years)
Building - Temporary	3
Building - Factory Building	30
Toll Collection System	6
Furniture and Fittings	10
Motor cars other than those used in business running	8
Computers	3
Office Equipments	5

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

For transition to IndAS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 01, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

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

Assets individually costing less than Rs.5,000 are fully depreciated in the year of purchase.

#### 7 Investment Properties

- i.) Property which is held for long-term rental yield or for capital appreciation or both, is classified as Investment property. Investment properties are measured initially at cost, including transaction cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation & accumulated impairment loss, if any.
- ii.) Investment properties currently comprises of plot of lands only & hence the same are not depreciated.
- iii.) Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use & no future economic benefit is expected from their disposal. The difference between the net disposal proceeds & carrying amount of the asset is recognised in Statement of Profit & loss in the period in which the property is derecognised.

#### 8 Amortisation

In respect of Intangible assets comprising of Carriage Ways, cost is amortised over the concession period on the unit method based on traffic projections. The projected traffic volume is based on independent professional studies. The traffic projections are reviewed by the Company periodically and appropriate adjustments made if there is a material change in the expected pattern of the economic benefits. Carriageways are amortised over the concession period i.e., 28 years (from the year of capitalization to end of concession period), as the economic benefits from the underlying assets would be available to the Company over such period as per the concessionaire agreement.

#### 9 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.

#### 10 Intangible assets

- a) Rights under Service Concession Arrangements

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

#### **Toll Projects (Right to charge users)**

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue during the concession period in respect of Build-Operate-Transfer ("BOT") project undertaken by the Company. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs plus the present value of obligation towards negative grants and additional concession fee payable to National Highways Authority of India ("NHAI")/State authorities, if any. Till the completion of the project, the same is recognised under intangible assets under development. The revenue from toll collection/other income during the construction period is reduced from the carrying amount of intangible assets under development.

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 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.

#### **b) Other intangible assets**

Specialized software is amortized over a period of three years on straight line basis from the month in which the addition is made.

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

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the assets' revised carrying amount over its remaining useful life.

#### **11 Investments**

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

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

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the requirements of cost model.

#### **12 Employee benefits**

Employee benefits include provident fund, 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 recognized in the period in which the employee renders the related service.

##### **(ii) Post employment benefits**

###### **(a) Defined contribution plans:**

The Company's obligation to employee's provident fund is a defined contribution plan. The contribution paid/payable is recognized in the period in which the employee renders the related service.

###### **(b) Defined benefit plans:**

The Company's obligation towards gratuity is a defined benefit plan.

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 rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized in the Statement of Profit and loss.

(iii) Other long term employee benefits:

The obligation for long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans as mentioned in (ii) (b) above.

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 plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized immediately in the statement of profit and loss

13 Borrowing costs

Borrowing costs include interest calculated using the effective interest method, amortisation of ancillary costs incurred are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. 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. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

14 Leases

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

Operating leases:

(a) Property, plant and equipment acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

(b) Property, plant and equipment leased out under operating leases are continued to be capitalised by the Company. Rental income is recognised on a straight-line basis over the term of the relevant lease.

The Company is in the business of operating and maintaining a toll highway and the majority of its income represents toll collections. Hence, operations are under single business and geographical segment.

Finance leases:

(a) Property, plant and equipment acquired on leases where the Company has substantially transferred all the risks and rewards of ownership are classed as finance leases. Finance leases are capitalized at the inception of lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

(b) Property, Plant and Equipment leased out under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of lease so as to yield a constant rate of return on the net investment in the lease.

15 Earnings per share

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

16 Taxes on income

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 in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the entity.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the entity has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realizability.

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

## 17 Impairment of assets

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

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

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

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

## 18 Provisions, contingent liabilities and contingent assets

A provision is recognised when the company has a present obligation 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. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of 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 time value of money is material). When some or all 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 the reimbursement will be received and the amount of 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 the Notes. Contingent assets are disclosed in the financial statements where an inflow of economic benefits are probable.

## 19 Financial Instruments

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



#### a) Financial Assets

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

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

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (unless the same are designated as fair value through profit or loss)

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; 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.

Debt instruments at FVTPL is a residual category for debt instruments and all changes are recognised in profit or loss.

Investments in equity instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in OCI for equity instruments which are not held for trading.

Interest income, dividend income and exchange difference (on debt instrument) on FVTOCI debt instruments is recognised in profit or loss and other changes in fair value are recognised in OCI and accumulated in other equity. On disposal of debt instruments FVTOCI the cumulative gain or loss previously accumulated in other equity is reclassified to profit & loss. However in case of equity instruments at FVTOCI cumulative gain or loss is not reclassified to profit & loss on disposal of investments.

A financial asset is primarily derecognised when:

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

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

#### b) Financial Liabilities

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

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

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

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

#### 20 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

#### 21 Operating Cycle

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

#### 22 Claims

Claims against the company are accounted for as and when accepted.

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.

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

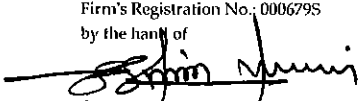
- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for
- (ii) Uncalled liability on shares and other investments partly paid
- (iii) Funding related commitment to subsidiary, associate and joint venture companies and
- (iv) Other non-cancellable commitments, 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.

**Note A: First time adoption of Ind AS**

The Company has prepared opening balance sheet as per Ind AS of April 1, 2016 (transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as detailed below:

1. The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 01 April 2016 (transition date).
2. The Company has opted to continue the carrying value of all of its PPE & Investment property as recognised in its previous GAAP financial as deemed cost at the transition date.
3. The company has assessed all contracts and arrangements for embedded leases based on conditions in place as at the date of transition.
4. The estimates as at 01 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with the Indian GAAP.
5. The Company has decided to continue with the traffic based amortisation method for existing road concessions.

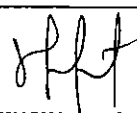
As per our report attached  
M.K.DANDEKER & CO.  
Chartered Accountants  
Firm's Registration No.: 000679S  
by the hand of  
  
S. POOSAI DURAI  
Partner  
Membership No.: 223754

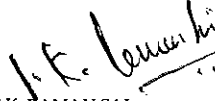
Place : Hyderabad  
Date : MAY 23, 2018



For and on behalf of the Board

  
NARENBABU KARANAM  
Director  
DIN - 03295872

  
HARJEET SINGH DAYA SINGH  
Director  
DIN - 05258605

  
P.K. RAMAN SAI  
Membership No.: 16344  
Company Secretary

Place : Hyderabad  
Date : MAY 23, 2018