S G D G & ASSOCIATES LLP
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To

The Members of

Aurangabad Jalna Tollway Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Aurangabad Jalna Tollway Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these 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.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Anditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section143(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 Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure – A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that the no managerial remuneration has been paid by the company during current financial year and therefore the provision of section 197(16) is not applicable.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 28 to the financial statements

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure – B"** a statement on matters specified in paragraphs 3 and 4 of the order.

For S G D G & Associates LLP
Chartered Accountants
Firm's Registration No. W100188

(Devansh Gandhi)
Partner
Membership No. 129255

Place: Ahmedabad
Date: May 17, 2019

ANNEXURE - A

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report the members of **Aurangabad Jalna Tollway Limited** 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")

In conjunction with our audit of the financial statements of Aurangabad Jalna Tollway Limited (The Company) as of and for the year ended March 31, 2019, we have also audited the internal financial controls over financial reporting of the Company.

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 (ICAI). 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 on Audit of Internal Financial Controls Over Financial Reporting (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 ICAI. 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 judgment, including the assessment of the risks of material misstatement of the 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 authorizations of management and directors of the company; and
3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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, 2019, 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 ICAI.

For S G D G & Associates LLP
Chartered Accountants
Firm's Registration No. W100188

(Devansh Gandhi)
Partner
Membership No. 129255

Place: Ahmedabad
Date: May 17, 2019

ANNEXURE - B

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report the members of Aurangabad Jalna Tollway Limited of even date)

Report on the Companies (Auditor' Report) Order, 2016, issued in terms of section 143 (11) of the Companies Act, 2013('the Act') of Aurangabad Jalna Tollway Limited ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified during the year by the Management in accordance with programme of physical verification, which in our opinion, provides for physical verification of all fixed assets at a reasonable intervals having regard to size of the Company and nature of fixed assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The title deeds of the immoveable property are held in the name of the Company.

(ii) The Company had no inventory during and at the year end. Therefore, the reporting requirements of paragraph 3(ii) of the Order is not applicable.

(iii) (a) The Company has granted loan to its holding Company listed in the register maintained under section 189 of the Act. In our opinion and according to the information and explanation provided to us, the terms and conditions of the loan are prima facie not prejudicial to the Company's interest.

(b) The loan is repayable on demand. The repayment of principal and interest is regular.

(c) The principal and interest are not overdue for more than ninety days in respect of loan granted to its holding Company listed in register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanation given to us, in respect of loan given by the Company to holding Company, provisions of sections 185 and 186 of the Act are not applicable and hence not commented upon. Further the Company has not made investments or provided guarantees or security, attracting the provisions of sections 185 and 186 of the Act.

(v) The Company has not accepted deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.

(vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, custom duty, cess, goods and services tax and other material statutory dues as applicable have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, cess, goods and services tax and other material statutory dues were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable. As informed to us, provisions of professional tax are not applicable to the company.

(b) According to the information and explanations given to us, there are no dues of income tax and goods and services tax or cess which have not been deposited with the appropriate authorities on account of any dispute.

(viii) Based on our audit procedure and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company does not have dues to financial institution, government or debenture holders as at the balance sheet date.

(ix) The Company has not raised any moneys by way of initial public offer or further public offer. In our opinion and according to the information and explanations given by the management, the company has utilized the monies raised by term loans and debt instruments for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the Management, we report that no material fraud on or by the Company has been noticed or reported during the year.

(xi) No managerial remuneration has been paid or provided by the Company during the year. Accordingly the reporting requirement of paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion the Company is not a Nidhi Company. Therefore the reporting requirement of Clause 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, all the transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and also the details which have been disclosed in the financial statements are in accordance with the applicable Indian Accounting Standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence the reporting requirement of paragraph 3(xiv) of the Order are not applicable to the Company.

(xv) 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 to directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) According to the information given and as explained to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S G D G & Associates LLP
Chartered Accountants
Firm's Registration No. W100188

(Devansh Gandhi)
Partner
Membership No. 129255

Place: Ahmedabad
Date: May 17, 2019

AURANGABAD - JALNA
TOLLWAY LIMITED

IND AS FINANCIAL STATEMENT
FOR THE YEAR ENDED MARCH 31, 2019

Aurangabad Jalna Tollway Limited
Balance Sheet as at March 31, 2019

Particulars	Note No.	As at March 31, 2019 (INR In Million)	As at March 31, 2018 (INR In Million)
ASSETS			
1 **Non-current Assets**			
(a) Property, Plant and Equipments	5	28.87	28.05
(b) Other Intangible Assets	6	2,100.22	2,188.30
(c) Financial Assets			
(i) Other Financial Assets	9	0.56	0.56
(d) Other Non Current Assets	11	6.04	3.97
Total Non-current assets		2135.69	2220.88
2 **Current Assets**			
(a) Financial Assets			
(i) Investments	7	19.08	-
(ii) Trade Receivables	12	-	0.17
(iii) Cash and Cash Equivalants	8	42.55	12.88
(iv) Loans	10	16.73	-
(v) Other Financial Assets	9	186.09	148.54
(b) Other Current Assets	11	1.37	1.15
Total Current assets		265.82	162.74
Total Assets		2,401.51	2,383.62
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	13	19.71	19.71
Other Equity	14	(18.33)	(68.67)
Total Equity		1.38	-48.96
LIABILITIES			
1 **Non-current Liabilities**			
(a) Financial Liabilities			
(i) Borrowings	15	2,113.89	2,169.56
(ii) Other Financial Liabilities	19	-	0.63
(b) Provisions	17	214.26	112.58
Total Non-current liabilities		2,328.15	2,283.06
2 **Current Liabilities**			
(a) Financial Liabilities			
(i) Borrowings	16	-	77.92
(ii) Trade Payables			
Total outstanding dues to micro and small enterprises			
Total outstanding dues of creditors other than micro and small enterprises	18	9.76	20.27
(iii) Other Financial Liabilities	19	59.74	49.48
(b) Other Current Liabilities	20	0.87	0.90
(c) Provisions	17	1.61	1.23
Total Current liabilities		71.98	149.52
Total Equity and Liabilities		2401.51	2383.62
Significant Accounting Policies	3		

Accompanying notes are an integral part of the financial statements
As per our report of even date

For S G D G & Associates LLP
Chartered Accountants
ICAI Firm Registration No. W100188

(Devansh Gandhi)
Partner
Membership No.129255

Place: Ahmedabad
Date: May 17, 2019

For & On For & On behalf of the Board of Directo
Aurangabad Jalna Tollway Limited

(Vikram Patel)
Director
DIN: 00048318

(Vipul Patel)
Director
DIN: 06634262

Place: Ahmedabad
Date: May 17, 2019

AURANGABAD-JALNA TOLL WAY LTD. AHMEDABAD

S G D G & ASSOCIATES LLP AHMEDABAD

Aurangabad Jalna Tollway Limited
Statement of Profit and Loss for the year ended March 31, 2019

	Particulars	Note No.	March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
INCOME				
I	Revenue From Operations	21	563.37	527.79
II	Other Income	22	4.18	1.21
III	Total Revenue (I+II)		567.55	529.00
EXPENSES				
	Operating Expense	23	165.30	131.97
	Employee Benefits Expenses	24	25.48	22.38
	Finance Cost	25	229.75	236.25
	Depreciation and Amortization Expenses	5 & 6	89.85	84.35
	Other Expenses	26	6.60	6.69
IV	Total Expenses		516.98	481.64
V	Profit/(Loss) before tax for the period (III-IV)		50.57	47.36
VI	Tax Expense			
	Excess/(short) provision for income tax for earlier years		-	-
	Profit/(Loss) for the period (V-VI)		50.57	47.36
Other Comprehensive Income				
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
	Remeasurements (losses)/gain on defined benefit plans		(0.23)	0.17
VI	Total Other Comprehensive Income for the period		(0.23)	0.17
VII	Total Comprehensive Income for the period, net of tax (V+VI)		50.34	47.53
Earning/(Loss) per share [Nominal Value of share Rs. 10/-] (31 March 2018: Rs 10/-)				
	Basic and Diluted	29	25.66	24.03
Summary of significant accounting policies		3		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S G D G & Associates LLP
Chartered Accountants
ICAI Firm Registration No. W100188

(Devansh Gandhi)
Partner
Membership No.129255

Place: Ahmedabad
Date: May 17, 2019

For & On behalf of the Board of Directors of
Aurangabad Jalna Tollway Limited

(Vikram Patel)
Director
DIN: 00048318

(Vipul Patel)
Director
DIN: 06634262

Place: Ahmedabad
Date: May 17, 2019

AURANGABAD-JALNA TOLLWAY LTD. AHMEDABAD

Aurangabad Jalna Tollway Limited

Cash Flow Statement for the Year ended 31st March 2019

Particulars		March 31, 2019 INR In Million	March 31, 2018 INR In Million
(A) Cash flows from Operating Activities			
Profit/(Loss) Before Tax		50.57	47.36
Adjustments for:			
Depreciation and amortisation		89.85	84.35
Major Maintenance Expense		89.70	75.33
Finance Costs		229.75	236.25
Interest Income		(0.80)	(0.00)
Acturial Gain		(0.29)	(0.17)
Gain on sale of Units of Mutual fund Investments (net)		(3.32)	(1.04)
Cash generated before Effect of Working capital		455.46	442.08
Adjustments for:			
(Increase)/Decrease in Financial Assets		(36.83)	49.18
(Increase)/Decrease in Current Assets		(2.28)	(3.82)
(Decrease)/Increase in Other financial liabilities		(24.04)	2.25
(Increase)/ Decrease in Trade Receivables		0.17	(0.17)
(Decrease)/Increase in current liability		(0.02)	(1.22)
(Decrease)/Increase in long-term provisions		1.06	0.65
(Decrease)/Increase in Trade Payables		(10.50)	(37.77)
Cash generated from/(used in) Operating Activities		383.01	451.17
(+)/(-) : Tax Paid(Net of Refund)		-	-
Net cash flow from/(used in) Operating Activities	(A)	383.01	451.17
(B) Cash Flows from Investing Activities			
Interest Income		0.08	0.00
(Purchase)/Redemption of units in mutual funds		(19.08)	-
Sale/(Purchase) of Fixed Assets		(2.60)	(0.70)
Gain on Sale of Units of Mutual Fund		3.32	1.04
Investment in Holding Company		(16.73)	-
Net cash flow from Investing Activities	(B)	(35.01)	0.35
(C) Cash Flows from Financing Activities			
Repayment of long term borrowings		(22.65)	(22.65)
Repayment of Current borrowings		(77.92)	(186.51)
Interest and other Finance cost paid		(217.76)	(239.29)
Net cash flow from/(used in) financing activities	(C)	(318.33)	(448.46)
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	29.67	3.06
Cash and cash equivalents at beginning of the year		12.88	9.82
Cash and cash equivalents at end of the year		42.55	12.88

Notes:

(i) Components of cash and cash equivalents (refer note 8)

	March 31, 2019 INR In Million	March 31, 2018 INR In Million
Cash on hand	2.90	1.73
Balances with banks in current accounts	39.65	11.15
Cash and cash equivalents	42.55	12.88

Note: Balance with bank includes balance of Rs. 39.65 million (March 31, 2018: Rs. 10.70 million) lying in the Escrow Accounts, as per terms of borrowings with the lenders.

INR In Million

(ii) Reconciliation of Financial liabilities	March 31, 2018	Cash inflows	Cash outflows	Non-cash adjustment Transaction Cost	Finance Cost	March 31, 2019
Long Term Borrowings	2,191.54	-	(22.65)	0.67	-	2,169.56
Short Term Borrowings	77.92	-	(77.92)	-	-	-
Interest accrued and due on borrowings	0.72	-	(4.15)	-	3.43	-

(iii) The cash flow statement has been prepared under indirect method as per Indian Accounting Standard -7 "Cash Flow Statement".

(iv) Figures in brackets represent outflows.

As per our report of even date

For S G D G & Associates LLP
Chartered Accountants
ICAI Firm Registration No. W100188

(Devansh Gandhi)
Partner
Membership No.129255

Place: Ahmedabad
Date: May 17, 2019

AURANGABAD-JALNA TOLL WAY LTD. AHMEDABAD

For & On behalf of the Board of Directors of
Aurangabad Jalna Tollway Limited

(Vikram Patel)
Director
DIN: 00048318

(Vipul Patel)
Director
DIN: 06634262

Place: Ahmedabad
Date: May 17, 2019

S G D G & ASSOCIATES LLP AHMEDABAD

Aurangabad Jalna Tollway Limited
Statement of Changes in Equity for the year ended March 31, 2019

A Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	No of Shares.	Amount (INR In Million)
At 31 March 2018	19,71,053	19.71
At 31 March 2019	19,71,053	19.71

B Other Equity

Particulars	Reserves and Surplus		Equity Component of Compound Financial	Total
	Securities Premium	Retained Earning		
	(INR In Million)	(INR In Million)	(INR In Million)	(INR In Million)
As at April 1, 2017	528.29	(926.49)	282.00	(116.20)
Profit/(Loss) for the year	-	47.36	-	47.36
Other Comprehensive Income for the year	-	0.17	-	0.17
As at March 31, 2018	528.29	(878.94)	282.00	(68.67)
As at April 1, 2018	528.29	(878.94)	282.00	(68.67)
Profit/(Loss) for the year	-	50.57	-	50.57
Other Comprehensive Income for the year	-	(0.23)	-	(0.23)
As at March 31, 2019	528.29	(828.61)	282.00	(18.33)

Note The Project of the Company has been funded through sub ordinate debt from the Sponsors in accordance with Sponsor Support and Equity Contribution Agreement / Sponsor Undertaking. As per Common loan Agreement, such sub ordinate debts are considered as sponsor's contribution to ensure Promotor's commitment for the project. Sub-ordinate debt is interest free and shall be repayable at the end of the concession period or earlier at the option of the company.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S G D G & Associates LLP
Chartered Accountants
ICAI Firm Registration No. W100188

(Devansh Gandhi)
Partner
Membership No.129255

Place: Ahmedabad
Date: May 17, 2019

AURANGABAD-JALNA TOLLWAY LTD.
AHMEDABAD

For & On behalf of the Board of Directors of
Aurangabad Jalna Tollway Limited

(Vikram Patel)
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Place: Ahmedabad
Date: May 17, 2019

1. **Company information:**

Aurangabad -Jalna Tollway Limited ("the Company") is a company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. It's is whole owned subsidiary of Sadbhav Infrastructure Project Limited which is listed on Two recognized stock exchanges in India. The registered office of the company is located at Ellisbridge, Ahmedabad – 380 006.

The Company was incorporated as a Special Purpose Vehicle (SPV) in January, 2007, for the purpose of four laning of Aurangabad -Jalna section of MSH-6 from KM 10.400 to KM 60.200 Beed Bypass KM 292.500 to 305.650 and Zalta Bypass KM 0.00 to 2.850 in the state of Maharashtra on Build, Operate and Transfer ("BOT") basis. The Company has entered into Concession Agreement with the Government of State of Maharashtra with a Concession Period of 23 years and 6 months w.e.f 01st February, 2007. The Company had received concurrence of the Government of Maharashtra for collections of Toll Fee on the project road vide Notification No.PSP-2006/CR/Road-9, issued on July 24, 2009. Accordingly the company has commenced collection of toll fee with effect from July 28, 2009.

The financial statements were authorized for issue in accordance with a resolution of the directors on May 17, 2019.

2. **Basis of preparation and presentation of financial statement:**

(a) Compliance with IND AS:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and relevant amendment rules issued thereafter.

The company has applied the applicable standards and/or amendments to existing standards effective from April 1, 2018 in the preparation and presentation of financial statements for the year ending on March 31, 2019.

Most of the amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) Basis of Presentation:

The Balance Sheet, the Statement of Profit and Loss and Statement of Changes in Equity 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 financial statements are presented in INR, which is the functional currency and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

(c) Basis of Measurement:

The financial statements have been prepared on historical cost basis, except for certain

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financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

(d) Use of estimates and judgements:

The preparation of these financial statements is in conformity with IND AS which 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 major maintenance expenses, fair value measurement etc. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3. Summary of significant accounting policies

The following are the significant accounting policies applied by the company in preparing its financial statements:

3.1 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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Operating cycle

The Operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

3.2 Foreign Currencies

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are recognised in profit or loss with the exception of long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3.3 Revenue Recognition

The company primarily derives revenue in terms of the Appendix D to Ind AS 115 which covers specific aspects related to the Service Concession Agreements. The company follows Intangible Asset model prescribed in the Appendix.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

Revenue is recognized upon transfer of control of promised service to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services or goods. Revenue, primarily, is measured based on the transaction price (realization of toll receipts), which is the consideration for usage of the toll roads. Since the company does not provide any other services, the disaggregation of revenues is not disclosed.

(i) Toll collection income

Toll collection from users of the infrastructure facility constructed by the Company under the Service Concession Arrangement is recognised in the period of collection which generally coincide as and when the traffic passes through toll – plazas.

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(ii) Gain or loss on sale of Mutual Fund

Gain or Loss on sale of mutual fund is recorded on transfer of title from the Company, and is determined as the difference between the sale price and carrying value of mutual fund and other incidental expenses.

(iii) Dividend

Income from dividend on investments is accrued in the year in which it is declared, whereby right to receive is established.

(iv) Interest

Interest income is recognised using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

(v) Government Grants

Government Grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on systematic basis over the periods that the related cost, for which it is intended to compensate, are expensed. When the grant relates to asset, it is as income in equal amounts over the expected useful life of the related asset.

(vi) Other Income

Other items of income are recognised as and when the right to receive arises.

3.4 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost comprise the purchase price, borrowing costs if the recognition criteria are met and directly attributable cost of bringing the assets to its working condition for its intended use. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives.

All other expenses on existing property plant and equipment, including day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset

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(calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Depreciation

Depreciation on Property, Plant and Equipment is provided on the written down value method basis over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual value, useful life and method of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.5 Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

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Toll collection right arising from service concession arrangement

The Company builds infrastructure assets under public-to-private Concession Arrangements which it operates and maintains for periods specified in the Concession Arrangements.

Under the Concession Agreements, where the Company has received the right to charge users of the public service, such rights are recognised and classified as "Intangible Assets" in accordance with Appendix D and E to Ind AS 115. Such right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the public uses the service and thus are recognised and classified as intangible assets. Such an intangible asset is recognised by the Company at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized when the project is complete in all respects and when the company receives the completion certificate from the authority as specified in the Concession Agreement. The economics of the project is for the entire length of the road / infrastructure as per the bidding submitted.

Amortization

The intangible assets which are recognised in the form of Toll right to charge users of the infrastructure asset are amortized by taking proportionate of actual revenue received for the year over Total Projected Revenue from project to Cost of Intangible assets i.e. proportionate of actual revenue earned for the year over Total Projected Revenue from the Intangible assets expected to be earned over the balance concession period as estimated by the management.

As required, total Projected Revenue is reviewed by the management at the end of the each financial year and accordingly, the total projected revenue is adjusted to reflect any changes in the estimates which lead to the actual collection at the end of the concession period.

3.6 Impairment – Non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognised in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

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The Company bases its impairment calculation on detailed budgets and forecasts calculation. These budgets and forecasts calculations generally covering a period of the concession agreements using long terms growth rates applied to future cash flows.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

3.7 Investment Property

Investment Property is measured initially at cost including related transaction costs.Such cost comprises the purchase price, borrowing cost if capitalization criteria are met.All day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

An investment property is derecognised on disposal or on permanently withdrawal from use or when no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

3.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur. Borrowing cost consist of interest and other costs that company incurs in connection with the borrowing of funds. Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

3.9 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as lessee

An operating lease is a lease other than a finance lease. Operating lease payments are recognised as an operating expense in the Statement of Profit and Loss on a straight-line basis over the lease term except the case where incremental lease reflects inflationary effect and lease expense is accounted in such case by actual rent for the period.

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3.10 Financial Instruments

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

a) Financial assets

i. Initial recognition and measurement of financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e. the date that the Company commits to purchase or sell the asset.

ii. Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

- **Financial assets at amortized cost :**

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Cash and cash equivalents

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

- **Financial assets at fair value through other comprehensive income:**

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

- **Financial assets at fair value through profit or loss:**

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as at FVTPL.

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iii. De-recognition of financial assets

A financial asset is de-recognized when the contractual rights to the cash flows from the financial asset expire or the Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

iv. Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b) Financial Liabilities

i. Initial recognition and measurement of financial liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

All financial liabilities are recognised initially at fair value. All financial liabilities are recognised initially at fair value and, in the case of loan and borrowings and payable, net of directly attributable transaction costs.

ii. Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

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- **Financial liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

  Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

- **Loans and Borrowings**

  This is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.This category generally applies to borrowings.

iii. **Derecognition of financial liabilities**

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

c) **Offsetting of financial instruments**

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

3.11 **Fair Value Measurement**

The company measures financial instruments such as derivatives and Investment in Mutual Fund at fair value at each balance sheet date.

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Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market price in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the company's accounting policies. For

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this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortized cost)

3.12 Employee Benefits

a) Short Term Employee Benefits

All employee benefits payable are expected to be settled wholly within 12 months after the end of the reporting period are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensation etc. and the same are recognized as an expense in the statement of profit and loss in the period in which the employee renders the related services.

b) Post-Employment Benefits

(i) Defined contribution plan

The Company's approved provident fund scheme is defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity fund scheme is Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through

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OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

3.13 Income tax

Income tax expense comprises current tax and deferred tax.

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current income tax are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the balance sheet approach. Deferred tax is recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, losses and tax credit can be utilized except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

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As per provision of Income tax Act 1961, the Company is eligible for a tax holiday under section 80IA for a block of 10 consecutive assessment year out of 20 year beginning of toll operation. The current year is tenth year of company's operation and it propose to start claiming tax holiday in the subsequent year only. No deferred tax (assets or liabilities) is recognized in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing difference which is reverse after the tax holiday period is recognised in the year in which the timing difference orginate. However, the company restricts recognition of deferred tax assets to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. For recognition of deferred tax, the timing difference which orginate first are considered to reverse first.

The carrying amount of deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rules and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, where company has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.14 Provisions

General

Provision is recognized when the company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contractual obligation to restore the infrastructure to a specified level of serviceability

The Company has contractual obligations to maintain the road to a specified level of serviceability or restore the road to a specified condition before it is handed over to the grantor of the Concession

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Agreements. Such obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. The timing and amount of such cost are estimated and determined by estimated cash flows, expected to be incurred in the year of overlay. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to such obligation. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of such obligation are reviewed annually and adjusted as appropriate.

3.15 Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

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.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only be occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. The company does not recognize a contingent asset but discloses its existence in the financial statements

3.16 Earnings/(Loss) per share

Basic EPS is calculated by dividing the profit / (loss) for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit / (loss) attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

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3.18 Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

4. A.) Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make estimates, judgments and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosure, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(i) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iii) Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(iv) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF

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model. The cash flows are derived from the budget generally covering a period of the concession agreements using long terms growth rates and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(v) Property, plant and equipment

Refer Note 3.4 for the estimated useful life of Property, plant and equipment. The carrying value of Property, plant and equipment has been disclosed in Note 5.

(vi) Intangible Assets

The intangible assets which are recognized in the form of Toll right to charge users of the infrastructure asset are amortized by taking proportionate of actual revenue received for the year over Total Projected Revenue from project to Cost of Intangible assets. The estimation of total projection revenue requires significant assumption about expected growth rate and traffic projection for future. All assumptions are reviewed at each reporting date.

(vii) Provision for periodical Major Maintenance

Provision for periodical Major Maintenance obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. The timing and amount of such cost are estimated and determined by estimated cash flows, expected to be incurred in the year of overlay. All assumptions are reviewed at each reporting date.

B.) Accounting Pronouncement Issued but not effective:

(i) Ind AS 116 "Leases"

On March 30 ,2019,Ministry of Corporate Affairs has notified Ind AS116,Leases.Ind AS116 will replace the existing leases Standard, Ind AS17 Leases, and related Interpretations. The Standard sets out the principles for the recognition , measurement ,presentation and disclosure of leases for both parties to a contract i.e.,the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019 however the effect on adoption will not have any impact on financial statement.

(ii) Ind AS 19 "Employee Benefits" (Plan Amendment, Curtailment or Settlement)

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement.

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In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

(iii) Ind AS 23 "Borrowing Costs"

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an Company borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

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5 Property, Plant and Equipment

(INR In Million)

Particulars	Land	Building	Plant and Equipments	Computers	Furniture & Fixtures	Vehicles	Office Equipments	Total Tangible Assets
Cost								
As at April 01, 2017	24.55	0.63	6.51	0.19	0.07	1.88	0.05	33.89
Addition for the year	-	0.21	-	-	-	-	0.49	0.70
Disposal for the year	-	-	-	-	-	-	-	-
As at March 31, 2018	24.55	0.85	6.51	0.19	0.07	1.88	0.54	34.59
As at April 01, 2018	24.55	0.85	6.51	0.19	0.07	1.88	0.54	34.59
Addition for the period	-	-	-	2.74	-	-	0.07	2.80
Disposal for the period	-	-	0.20	-	-	-	-	0.20
As at March 31, 2019	24.55	0.85	6.30	2.93	0.07	1.88	0.61	37.19
As at April 01, 2017	-	0.23	4.07	0.12	0.04	1.03	0.03	5.51
Depreciation for the year	-	0.19	0.45	0.03	0.01	0.28	0.08	1.04
Disposal for the year	-	-	-	-	-	-	-	-
As at March 31, 2018	-	0.41	4.52	0.15	0.05	1.31	0.11	6.55
As at April 01, 2018	-	0.41	4.52	0.15	0.05	1.31	0.11	6.55
Depreciation for the period	-	0.15	0.34	0.91	0.01	0.17	0.20	1.77
Disposal for the period	-	-		-	-	-	-	-
As at March 31, 2019	-	0.56	4.86	1.06	0.05	1.48	0.31	8.32
Net Block								
As at March 31, 2018	24.55	0.43	1.99	0.05	0.02	0.57	0.43	28.05
As at March 31, 2019	24.55	0.29	1.44	1.87	0.02	0.40	0.30	28.87

Notes:

1 The aggregate depreciation has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

2 Property Plant and Equipments except land has been pledged against Secured borrowings in order to fulfill the collateral requirement for the Lenders.(refer note 15)

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6 Intangible Assets : (INR In Million)

Particulars	Computer Software	Toll Collection Rights	Total Intangible Assets
Cost			
As at April 01, 2017	**0.22**	**2,710.16**	**2,710.38**
Addition for the year	-	-	-
Adjustment During the year	-	-	-
As at March 31, 2018	**0.22**	**2,710.16**	**2,710.38**
Addition for the period	-	-	-
Adjustment During the period	-	-	-
As at March 31, 2019	**0.22**	**2,710.16**	**2,710.38**
Accumulated Amortization			
As at April 01, 2017	**0.16**	**438.61**	**438.77**
Charge for the Year	0.04	83.27	83.31
Disposal for the year	-	-	-
As at March 31, 2018	**0.20**	**521.88**	**522.08**
Charge for the Year	0.01	88.07	88.08
Disposal for the year	-	-	-
As at March 31, 2019	**0.20**	**609.93**	**610.16**
Net Book Amount			
As at March 31, 2018	0.02	2,188.29	2,188.30
As at March 31, 2019	0.01	2,100.23	2,100.22

Note:

1 Toll collection rights of four laning of Aurangabad-Jalna of MSH-6 is capitalised when the project is complete in all respects and when the Company receives the completion certificate from the authority as specified in the Concession Agreement and not on completion of component basis as the intended purpose of the project is to have the complete length of the road available for use. Refer note 38 for detail additional disclosure under Service Concession Arrangement.

2 The aggregate amortisation has been included under depreciation and amortisation expense in the Statement of Profit & Loss

3 Toll collection right has been pledged against Secured borrowings in order to fulfill the collateral requirement of the Lenders. (refer note 15)

4 Refer Note 40 For Disclosure pursuant to Appendinx - E of IND AS 115 " Revenue from Contracts with Customer

5 The Remaining Amortisation period for the Toll collection rights at the end of the reporting period is 11.34 years (March 31, 2018: 12.34 years)

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		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
7	Investments		
	Unquoted		
	Investments carried at fair value through profit or loss (ICICI Prudential Liquid Fund-Growth Units as at March 31, 2019: 69276.277 (P.Y.= Nil)	19.08	-
	Total	19.08	-
	Aggregate amount of quoted Investments	19.08	
	Aggregate amount of Unquoted Investments	-	

Fair value disclosures for financial assets are given in Note 36.

		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
8	Cash and Cash Equivalents		
	Cash on Hand	2.90	1.73
	Balance with Banks		
	in Current Accounts	39.65	11.15
	Total	42.55	12.88

Note: Balance with bank includes balance of Rs. 38.41 million (March 31, 2018: Rs. 10.70 million) are lying in the Escrow Accounts, as per terms of borrowings with the lenders.

		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
9	Financial Assets		
	Other Financial Asset		
	Non Current Financial Assets		
	Security Deposits	0.56	0.56
	Total	0.56	0.56
	Current Financial Assets		
	Receivable from PWD (refer Note below)	185.36	148.54
	Interest Receivable (Refer Note 32)	0.72	-
	Toll Receivable-Mswipe & Pay TM	0.01	0.00
	Total	186.09	148.54
		186.65	149.10

Note: Government of Maharashtra, has vide Notification dated 26th May 2015 exempted Light Motor Vehicles, buses of Maharashtra State Road Transport Corporation (MSRTC) from payment of toll, w.e.f 01-06-2015. However the government has not prepared any policy or modalities by which the Company will be reimbursed for the losses. Pending the announcement by the government of its policy/modalities for reimbursement of losses, the said Company has recognised revenue of toll collection 535.65 Million for the period 01-06-2015 to 31-03-2019, which includes 160.37 Million for the year ended March 31, 2019, in respect of exempted vehicles based on the projections submitted to Maharashtra government under the concession agreement. The Government of Maharashtra has paid amount of 350.29 Million till March 31, 2019 in this respect and AJTL expects to receive the balance amount.

		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
10	Loans		
	Loans to Related Parties		
	Loans Receivables considered good - Unsecured (Refer Note 32)	16.73	-
	Total	16.73	-

Note: Loan carry Interest rate of 9.55% per annum and is compounded on monthly basis

		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
11	Other Assets		
	Non Current Assets		
	Tax Credit Receivable	6.04	3.97
	Total	6.04	3.97
	Current Assets		
	Prepaid expenses	1.26	1.15
	Advances to vendors	0.10	-
	Total	1.36	1.15

		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
12	Trade Receivables		
	Trade Receivables considered good - Unsecured	-	0.17
		-	0.17
	Total	-	0.17

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13 Equity Share Capital	March 31, 2019		March 31, 2018	
	No. of shares	(INR In Million)	No. of shares	(INR In Million)
Authorized Share Capital				
Equity Shares of Rs. 10 each	20,00,000	20.00	20,00,000	20.00
	20,00,000	**20.00**	**20,00,000**	**20.00**
Issued, Subscribed and fully paid up				
Equity Shares of Rs 10 each	19,71,053	19.71	19,71,053	19.71
	19,71,053	**19.71**	**19,71,053**	**19.71**

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	March 31, 2019		March 31, 2018	
	No. of shares	(INR In Million)	No. of shares	(INR In Million)
At the beginning of the year	19,71,053	19.71	19,71,053	19.71
Add: Issue during the year	-	-	-	-
Outstanding at the end of the year	**19,71,053**	19.71	**19,71,053**	**19.71**

(b) **Terms/Rights attached to the equity shares:**

The Company has one class of shares referred to as equity shares having a par value of Rs.10 each. Each shareholder is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) **Share held by holding Company:**

Out of issued, subscribed and paid up equity capital 1,971,053 (March 31, 2018: 1,971,053) are held by Sadbhav Infrastructure Project Limited - Holding Company.

(d) Number of Shares held by each shareholder holding more than 5% Shares in the company

Particulars	March 31, 2019		March 31, 2018	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity Shares of Rs 10 each fully paid				
Sadbhav Infrastructure Project Limited and its nominees	19,71,053	100%	19,71,053	100%

As per the records of the company, including its registers of shareholders/member and other declaration received from shareholders regarding beneficial interest,the above shareholding represents both legal and beneficial ownership of shares.

14 Other Equity		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
14.1 Equity Component of Compound Financial Instrument - Sub Ordinate debts (refer note below & 32)			
Balance as per last financial statement		282.00	282.00
Balance at the end of the year	Total	**282.00**	**282.00**
Security Premium			
Balance as per last financial statement		528.29	528.29
Balance at the end of the year	Total	**528.29**	**528.29**
(Deficit) in statement of profit and loss			
Balance as per last financial statement		(878.96)	(926.49)
Add: Profit/(loss) for the year		50.57	47.36
Add / (Less): OCI for the year		(0.23)	0.17
Balance at the end of the year	Total	**(828.62)**	**(878.96)**
	Total	**(18.33)**	**(68.67)**

Note

The Project of the Company has been funded through sub ordinate debt from the Sponsors in accordance with Sponsor Support and Equity Contribution Agreement / Sponsor Undertaking. Such sub ordinate debts is considered as sponsor's contribution to ensure Promotor's commitment for the project. Sub-ordinate debt is interest free and shall be repayable at the end of the concession period or earlier at the option of the company.

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15 Non-Current Borrowings		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Secured*			
Term Loan from Banks		2,169.56	2,191.56
	Total	2169.56	2191.56
Less: Current maturities of non-current borrowing*			
Secured			
Term Loan from Banks		55.68	22.00
	Total	55.68	22.00
	Total	2113.89	2169.56

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

(i) Nature of security:

The details of Security in respect of Term loans are as under:

First ranking pari passu charge- by way of hypothecation of following assets of the company:-

- all the Company's movable assets, including current and non-current assets, movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all movable assets, both present and future save and except the Project Assets;
- all bank accounts of the Company, including without limitation, the Escrow Account, the Escrow Sub-Accounts (or any account in substitution thereof) and any other bank accounts, all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited thereto or lying to the credit thereof;
- all present and future tangible and intangible assets of the Company including but not limited to goodwill, undertaking of the Company, uncalled capital, trademarks, patents, present and future, however shall exclude the Project Assets;
- all present and future current assets, operating cash flows, receivables, commissions, revenues of whatsoever nature and whenever arising but exclude Project Assets;
- all the right, title, interest, benefits, claims and demands whatsoever of the Company in the Project Documents, all as amended, varied or supplemented from time to time;
- the right, title, interest, benefits, claims and demands whatsoever of the Company in any Clearances procured in respect of the Project;
- all the right, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents including on the termination payments arising from the Concession Agreement;
- all the right, title, interest, benefits, claims and demands whatsoever of the Company under all Insurance Contracts including, in respect of the insurance proceeds arising thereunder;
- pledge of equity shares held by Sadbhav Infrastructure Project Ltd. aggregating to 30% of the paid up and voting equity share capital of the Company for a period upto repayment of entire borrowings.

(ii) Terms of Repayment of Loans:

Indian Rupee Term Loans from Banks and Others

The Principal Amounts of the Loan to each of the Lenders are repayable in 53 quarterly installments commencing from September 30, 2016 . As per the repayment schedule of the loan agreement, all the principal amount outstanding under the said agreement shall be repaid by March 31, 2030. Similary, the Company also has the option to prepay the loans. Term loans carry interest rate of 9.55 per cent to 10.25 per cent per annum.

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16 Current Borrowings		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Loans Repayable on Demand - Unsecured			
Loan from Holding Company(Refer Note 32)		-	77.92
	Total	0.00	77.92

*Loan is repayable on demand / call notice from the lender and it carry interest of 9.55% per annum compounded on monthly basis.

17 Provisions		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Non Current			
Provision for Employee Benefits-Gratuity (Refer Note 30)		3.06	2.37
Provision for Periodical Major Maintenance (Refer Note 31)		211.20	110.21
	Total	214.26	112.58
Current			
Provision for Employee Benefits-Gratuity (Refer Note 30)		0.52	0.29
Provision for Employee Benefits-Leave Salary & Bonus		1.09	0.94
	Total	1.61	0.94

18 Trade Payables		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Trade Payables (Refer Note No. 32 & 35)		9.76	20.27
	Total	9.76	20.27

19 Financial Liabilities		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Non Current Financial Liabilities			
Security & Other Deposits from Contractor(Retention Money)		-	0.63
	Total	0.00	0.63
Current fianncial Liabilities			
Current Maturities of secured long-term borrowings (Refer Note 13)		56.35	22.67
Current Maturities of Unamortised Processing Fees- Banks		(0.67)	(0.67)
Net Balance		55.68	22.00
Interest accrued and due on borrowings (Refer Note 32)		-	0.72
Employee Emoluments payable		1.70	1.45
Security & Other Deposit from Subcontractor		2.35	25.31
	Total	59.73	49.48

20 Other Current Liability		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Statutory dues		0.87	0.82
Advance from Customers*		0.00	0.08
	Total	0.87	0.90

Note: Advance from Customers Rs 293 rounded off to million*

21 Revenue From Operations		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Revenue from Toll Collection		563.37	527.79
	Total	563.37	527.79

Disaggregation of Revenue		March 31, 2019 (INR In Million)
Revenue from Operation & Maintenance Services		563.37
	Total	563.37

21.1 Changes in amount of Contract Liabilities are as follows:	March 31, 2019 (INR In Million)
Balance at the Beginning of the Year	0.08
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	-0.08
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	0.00
Balance at the End of the Year	0.00

* Amount Rs. 293 is below rounding off norm adopted by company.

21.2 Performance obligation:
Information about the company's performance obligation is summarised as below;

Operation & Maintenance Services
The performance obligation is satisfied over time as each toll road-user simultaneously receives and consumes the benefits provided by the Company. However, given the short time period over which the company provides road operating services to each road user (i.e. the duration of the time it takes the road user to travel the length of the toll road), the Company recognises toll revenue when it collects the tolls.

21.3 Reconciliation of the amount of revenue recorded in statement of Profit & loss is not required as there are no adjustment to the contracted price.

22 Other Income		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Gain on Sale of Mutual Funds (Net)		3.32	1.04
Interest Income (Refer Note 32)		0.80	-
Miscellaneous Income			
Sundry balances written back		0.06	0.17
	Total	4.18	1.21

23 Operating Expense	March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Toll Plaza and Road Operations & Maintenance expenses (including payment to sub contractors)	64.91	46.67
Periodic Major Maintenance Expense (Refer Note 31)	89.70	75.33
Power and Fuel	3.65	3.15
Security expenses	6.83	6.62
Vehicle Expenses	0.21	0.20
	165.30	131.97

24 Employee Benefits Expenses		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Salaries, wages and other allowances		21.65	18.93
Contribution to provident fund and other fund		2.04	1.88
Gratuity Expense		0.68	0.61
Staff welfare expenses		1.10	0.96
	Total	25.48	22.38

25 Finance Cost		March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Interest Expenses on:			
Rupee Term Loans		213.81	215.36
Short Term Borrowings (Refer Note 16)		3.43	16.57
		217.24	231.93
Unwinding of Discount on Provision		11.30	3.24
Other Borrowing cost			
Amortisation of Processing Fees		0.67	0.67
Bank Charges		0.01	0.02
Bank Guarantee Commission Expenses		-	0.26
Others		0.53	0.13
		1.21	1.08
	Total	229.75	236.25

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26 Other Expenses

	March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Rent (Refer Note 32)	1.06	1.06
Repairs and maitenance	1.21	0.56
Insurance	1.68	1.45
Stamp duty and filing fees	0.04	0.02
Legal and professional fees	1.40	2.72
Communication expense	0.49	0.35
Travelling and conveyance	0.14	0.14
Printing and stationery	0.02	0.05
Auditors Remuneration	0.17	0.20
Donation	0.03	0.02
Miscellaneous expenses	0.21	0.12
Loss due to theft	0.15	-
Total	6.60	6.69

26.1 Auditors' remuneration comprises following:

	March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Statutory Audit Fees	0.14	0.15
Tax Audit Fees	0.03	0.03
Certification Fees	0.01	0.02
Total	0.17	0.20

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27 Income tax

The major components of income tax expense for the year ended March 31, 2019 and March 31, 2018 are as under:

A) Profit and Loss Section

	March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Current tax	-	-
Deferred tax	-	-
Total	-	-

Due to accumulated losses, the company has not recognised any tax expense in statement of profit and loss account, so reconciliation between tax expense and accounting profit is not required

B) Deferred tax

(INR In Million)

Particulars	Balance sheet		Statement of Profit and Loss	
	March 31,2019	March 31,2018	18-19	17-18
Expenditure allowable over the period	-	-	-	-
Impact on fair valuation of investments	0.02	-	(0.02)	-
Impact due to temporary differences on Property plant & Equipments	1.30	1.72	0.42	(0.05)
Impact due to temporary differences on Intangible Assets	(408.78)	(493.13)	(84.35)	23.94
Expenditure allowable on payment basis	59.75	37.32	(22.43)	(26.76)
Unused losses available for offsetting against future taxable income	347.64	454.09	106.45	2.87
Deferred tax (expense)/income			-	-
Net deferred tax assets/(liabilities)	-	-		
Deferred Tax Asset not recognized (refer note no. 2 below)	-	-		

Note

1 The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

2 As a matter of prudence, the company has recognised deferred tax assets on deductible temporary differences and carry forward of unused tax losses in the books to the extent of deferred tax liability balance.

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28 Contingent Liability

(a) In respect of Assessment Years 2008-09 and 2009-10, Income tax department has rejected the claim of refund for an amount of Rs. 1.43 Million and Rs. 2.77 Million, respectively. The Company had filed an appeal before CIT (Appeal) for the same which was not favorably decided. Against the said order the Company has filed an appeal before the Income Tax Appellate Tribunal.

(b) In respect of Assessment Year 2008-09, the DCIT Central Circle 1(1), Ahmedabad passed an order (the "Penalty Order") under section 271(1)(c) imposing a penalty along with a demand on the Company for an amount of Rs. 1.43 million. Subsequently, the Company preferred an appeal before the CIT, Appeals- 11, Ahmedabad against the Penalty Order. The amount involved in the matter is Rs. 1.43 million.The appeal was decided in company's favour. However, Income Tax Department has filed appeal against the order of CIT(A) before ITAT.

(c) In respect of Assessment Year 2009-10, the DCIT Central Circle 1(1), Ahmedabad passed an order (penalty order) under section 271(1)(c) imposing penalty along with a demand on the Company for an amount of Rs. 2.77 Million. The Company preferred an appeal before the CIT, Appeals- 11, Ahmedabad against the Penalty Order. The amount involved in the matter is Rs. 2.77 million.The appeal was decided in company's favour. However, Income Tax Department has filed appeal against the order of CIT(A) before ITAT.

(d) There were no Commitments outstanding as on March 31, 2019.

29 Earning/(Loss) Per Share (EPS):

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Net Profit/(Loss) attributable to Equity Shareholders:	50.57	47.36
Total no. of equity shares at the end of the year	19,71,053	19,71,053
Weighted average number of equity shares for basic and diluted EPS	19,71,053	19,71,053
Nominal value of equity shares	10	10
Basic and Diluted earnings/(loss) per share	**25.66**	**24.03**

30 Employee Benefits Disclosure:

A Defined Contribution Plans:

Amount of Rs. 2.02 million (March 31, 2018: Rs. 1.87 million) is recognised as expenses and included in Note No.22 "Employee Benefits Expenses"

	March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Contribution to Provident Funds	1.59	1.48
Contribution to Benevnlent Fund	0.02	0.02
Contribution to ESI	0.41	0.36
Total	**2.02**	**1.86**

B Defined benefit plans - Gratuity benefit plan:

Features of the defined benefit plan	Remarks
Benefit offered	15 / 26 × Salary × Duration of Service
Salary definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of Rs. 20,00,000 was applied
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	58 years or 31/07/2030 whichever is earlier

Risk to the Plan

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

Actuarial Risk:

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

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

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

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

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

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

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

The present value of obligation in respect of gratuity is determind based on actuarial valuation using the Project Unit Credit Method as prescibed by the Indian Accounting Standard - 19. Gratuity has been recognised in the financial statements as per details given below:

	March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Defined benefit obligations as at beginning of the year - A	2.66	2.34
Cost charged to statement of profit and loss		
Current service cost	0.49	0.46
Interest cost	0.19	0.16
Sub-total included in statement of profit and loss - B	0.68	0.61
Remeasurement gains/(losses) in other comprehensive income		
Actuarial Loss/(Gain) due to change in financial assumptions	0.04	(0.09)
Actuarial Loss/(Gain) due to experience	0.19	(0.08)
Benefits Paid	-	(0.12)
Sub-total included in OCI - C	0.23	(0.29)
Defined benefit obligations as at end of the year (A+B+C)	3.58	2.66

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown belc

	March 31, 2019	March 31, 2018
Discount rate	7.35%	7.55%
Salary Growth Rate	6.00%	6.00%
Withdrawal rate	15% at younger ages reducing to 3% at older ages	15% at younger ages reducing to 3% at older ages
Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Sensitivity level	March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Discount rate	0.50% increase	(0.10)	(0.08)
	0.50% decrease	0.11	0.09
Salary Growth Rate	0.50% increase	0.11	0.09
	0.50% decrease	(0.10)	(0.08)
Withdrawal rate	10% increase	0.01	0.01
	10% decrease	(0.00)	(0.00)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key asssumptions occuring at the end of reporting period.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Since the obligation is unfunded, there is no Asset-Liability Matching strategy device for the plan. Accordingly, there is no expected contribution in the next annual reporting period.

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C Maturity Profile of the Defined Benefit Obligation

As at March 31, 2019	INR in Million	%
2020	0.52	8.90%
2021	0.35	6.00%
2022	0.32	5.40%
2023	0.31	5.30%
2024	0.32	5.50%
2025-2029	1.45	24.90%

As at March 31, 2018	INR in Million	%
2019	0.29	6.40%
2020	0.27	5.90%
2021	0.27	6.00%
2022	0.25	5.50%
2023	0.26	5.70%
2024-2028	1.17	26.00%

The average duration of the defined benefit plan obligation at the end of the reporting period is 10.57 years (March 31, 2018: 11.74 years).

D **Other employee benefit:**

Salaries, Wages and Bonus include INR 1.00 million (Previous Year INR 0.88 million) towards provision made as per actual basis in respect of accumulated leave encashment/compensated absences.

31 **Movement in Provisions:**

Major Maintenance Reserve (Refer note no.17)	March 31, 2019 (INR In Million)
Carrying amount as at 01.04.2018	110.21
Add: Provision made during the Year	89.70
Add: increase during the year in the discounted amount due to passage of time	11.30
Less: Amounts used during the Year	-
Less: Unused amounts reversed during the Year	-
Carrying amount as at 31.03.2019	**211.20**
Expected time of outflow	2022-2023

<u>Periodical Major Maintenance</u>

Provision for major maintenance in respect of toll roads maintained by the Company under service concession arrangements and classified as intangible assets represents contractual obligations to restore an infrastructure facility to a specified level of serviceability in respect of such asset. Estimate of the provision is measured using a number of factors, such as contractual requirements, road usage, expert opinion and expected price levels.

32 **Related Party Disclosures:**

Related party disclosures as required under the Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" are given below:

A **Name of Related Parties and Nature of Relationship :**

Description of Relationship	Name of the Related Party
Ultimate Holding Company	Sadbhav Engineering Limited (SEL)
Holding Company	Sadbhav Infrastructure Project Ltd (SIPL)

B **Transactions with Related Parties during the Year:**

	March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
Short Term Borrowings received		
SIPL	-	45.90
Short Term Borrowings repaid (including Interest)		
SIPL	82.08	255.95
Short Term Borrowings given		
SIPL	16.73	-
Short Term Borrowings given received back		
SIPL	0.08	-
Interest on Short Term Borrowings		
SIPL	3.43	16.57
Interest Income on Short Term Borrowings		
SIPL	0.80	-
Operation and Maintenance Services Availed		
SIPL	18.16	15.44
Rent , Allocation of Expenses & Reimbursement		
SEL	1.06	1.06
SIPL	0.50	-

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C	Balances outstanding as at March 31, 2019 :	March 31, 2019 (INR In Million)	March 31, 2018 (INR In Million)
	Other Equity (Sub-ordinate debts)		
	SIPL	282.00	282.00
	Short Term Borrowings outstanding including interest payable		
	SIPL	-	78.65
	Short Term Borrowings receivable including interest		
	SIPL	17.46	-
	Payable towards Operation & Manitenance & Project		
	SIPL	2.97	1.49
	Trade Payables and other current liabilities (unsecured)		
	SEL	3.27	2.29
	SIPL	-	29.53

D Terms and conditions of the balance outstanding:

1. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free excepts short term loan and settlement occurs in cash as per the terms of the agreement.
2. Loan in INR given to the related party carries interest rate (March 31, 2019 : 9.55%)
3. The Company has not provided any commitment to the related party as at March 31, 2019 (March 31, 2018: Rs.Nil)

33 Segment Reporting

The operating segment of the company is identified to be "BOT (Toll Basis)", as the Chief Operating Decision Maker (CODM) reviews business performance at an overall company level as one segment and hence, does not have any additional disclosures to be made under Ind AS 108 Operating Segments. Further, the Company also primarily operates under one geographical segment namely India.

34 Operating Lease:

Office premise of the Company have been taken on operating lease basis. The lease rent paid during the year Rs. 1.06 million (March 31, 2018: Rs. 1.06 million). These operating lease agreement are cancellable by giving short period notice by either of the parties to the agreement.

35 Dues to Micro, Small and Medium Enterprises (MSME)

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the balance sheet date. This is based on the information available with the Company.

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36 Disclosure of Financial Instruments by Category

Financial instruments by categories	Note no.	March 31, 2019			March 31, 2018		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset							
Security Deposits	9	-	-	0.56	-	-	0.56
Loan to Holding Company	10	-	-	16.73	-	-	-
Investment in Mutual Fund	7	-	-	19.08	-	-	-
Cash and Cash Equivalent	8	-	-	42.55	-	-	12.88
Trade Receivables	12	-	-	-	-	-	0.17
Other Financial Assets	9	-	-	186.09	-	-	148.54
Total Financial Asset		-	-	**265.01**	-	-	**162.15**
Financial liability							
Non Current Borrowings	15	-	-	2,113.89	-	-	2,169.56
Loans Repayable on Demand	16	-	-	-	-	-	77.92
Trade Payables	18	-	-	9.76	-	-	20.27
Other Financial Liabilities	19	-	-	59.73	-	-	50.11
Total Financial Liabilities		-	-	**2,183.38**	-	-	**2,317.86**

37 Fair value disclosures for financial assets and financial liabilities

a. The management assessed that the fair values of cash and cash equivalents, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

b. The carring value of Company's interest-bearing borrowings are reasonable approximations of fair values as the borrowing carry floating interest rate.

c. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Therefore there is no requirement of disclosure of fair value hierarchy.

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38 Financial instruments risk management objectives and policies

The Company's principal financial liabilities comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include Investments,other receivables and cash and bank balance that derive directly from its operations.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, Investments, other receivables, trade and other payables.

Within the various methodologies to analyse and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 25-basis points of the interest rate yield curves in all currencies

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit & loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and provisions.

(b) Interest rate risk

Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rates of interest. The Company seeks to mitigate such risk by entering into interest rate derivative financial instruments such as interest rate swaps. Interest rate swap agreements are used to adjust the proportion of total debt, that are subject to variable and fixed interest rates.

Under an interest rate swap agreement, the Company either agrees to pay an amount equal to a specified fixed-rate of interest times a notional principal amount, and to receive in return an amount equal to a specified variable-rate of interest times the same notional principal amount or, vice-versa, to receive a fixed-rate amount and to pay a variable-rate amount. The notional amounts of the contracts are not exchanged. No other cash payments are made unless the agreement is terminated prior to maturity, in which case the amount paid or received in settlement is established by agreement at the time of termination, and usually represents the net present value, at current rates of interest, of the remaining obligations to exchange payments under the terms of the contract.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Effect on Profit/(Loss) before tax	
	March 31, 2019 (Rs. In Million)	March 31, 2018 (Rs. In Million)
Increase in 25 basis point	(5.42)	(5.48)
Decrease in 25 basis point	5.42	5.48

The effect of interest rate changes on future cash flows is excluded from this analysis.

(c) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to credit risk from its operating activities as the company is collecting toll in cash and does not have outstanding any receivables. However, The Company is exposed to credit risk related to financing activities, including temporary investment in mutual fund

Temporary Investment in Mutual Fund

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only in accordance with company policy. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the Balance sheet as of March 31, 2019 is 61.62 million and March 31, 2018 is 12.88 million .

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(d) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys cash management system. It maintains adequate sources of financing including debt at an optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Rs. In Million)

Particulars		Total Amount	On Demand	upto 1 year	1-2 years	2 - 5 years	> 5 years
As at March 31, 2019							
Non current borrowings#		2,176.96	-	56.35	56.35	270.75	1,793.51
Current borrowings		-	-	-	-	-	-
Trade Payables		9.76	-	9.76	-	-	-
Other Financial Liabilities#		4.05	-	4.05	-	-	-
	Total	2,190.78	-	70.17	56.35	270.75	1,793.51
As at March 31, 2018							
Non current borrowings#		2,199.64	-	22.67	56.35	169.05	1,951.56
Current borrowings		77.92	77.92	-	-	-	-
Trade Payables		20.27	-	20.27	-	-	-
Other Financial Liabilities#		27.48	-	27.48	-	-	-
	Total	2,325.31	77.92	70.41	56.35	169.05	1,951.56

Current maturity of Non-current borrowings is included in Non-current borrowing part in above note from other financial liabilities.

Collateral

The Company's all financial assets has been pledged against Non-current borrowings in order to fulfill the collateral requirement of the Lenders.

39 **Capital Management**

For the purpose of the Company's capital management, Capital consist of share capital, Securities Premium and other equity in form of Subordinate Debt. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or obtain additional sub-ordinate debts. The Company monitors capital using debt equity ratio which does not exceed 4:1, which is total Borrowings divided by total equity excluding balance of deficit in statement of profit & loss.

The key performance ratios as at 31 March are as follows

		March 31, 2019 (Rs. In Million)	March 31, 2018 (Rs. In Million)
Secured Borrowings (refer note 15)		2,176.96	2,199.64
	Total Debts - A	**2,176.96**	**2,199.64**
Equity Share Capital (refer note 13)		19.71	19.71
Securities Premium		528.29	528.29
Equity Sub Debt		282.00	282.00
	Total Equity - B	**830.00**	**830.00**
	Debt equity ratio (A/B)	**2.62**	**2.65**

40 **Revenue Recognition**

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adpoted Ind AS 115 using the cumulative catch-up transition method applied to contracts that were not completed as at April 1, 2018. The effect on the adoption of Ind AS 115 was insignificant. The adoption of Ind AS 115 required enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. Refer Note 3.3 of Significant Accounting Policies.

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41 Disclosure pursuant to Appendinx - E of IND AS 115 " Revenue from Contracts with Customer

A Description and classification of the arrangment

(i) The Company has entered into Service Concession Agreement ('SCA') with the Government of Maharashtra in January, 2007 for the purpose of development, implementation as well as operation & maintenance of the Aurangabad Jalna Road Project. The project involves four laning of 50 kms existing two lanes Aurangabad Jalna Road (MSH 6) Km 10.400 to 60.200, Beed Bypass km 292/500 to 305/650 and Zalta Bypass km 0/00 to 2/850 in Maharashtra on Build Operate and Transfer (BOT) basis. The project is awarded under concession agreement for a period of twenty three years and six months from date of work order given on February 1, 2007.

(ii) The company has received concurrence of the Government of Maharashtra for collections of Toll Fee on the project road vide Notification No.PSP-2006/CR/Road-9, issued on July 24, 2009. Accordingly the company has commenced collection of toll fee with effect from July 28, 2009.
Government of Maharashtra, has vide Notification dated 26th May 2015 exempted Light Motor Vehicles, buses of Maharashtra State Road Transport Corporation (MSRTC) from payment of toll, w.e.f 01-06-2015.

B Significant Terms of the arrangements

(i) **Revision of Fees:**

Fees shall be revised as per the Schedule of Toll Rates. Previous revision was on April 01, 2016 for the period of 3 years, next revision will be done on April 01, 2019.

(ii) Only in the case of Extension in Concession period in accordance with the provisions of the agreement, the Government of Maharahtra shall issue the revised toll notifications taking into account increase in Toll rates

C Other Terms

(i) If for any reasons, the Government causes the Company to abandon the project mid-way, than the Cost of Construction incurred by the Company shall be repaid by the Government. The valuation shall be based at the rates of the items included with this agreement and in absence of these at the D.S.R rates applicable plus 15 percent

D Rights of the Company to use Project Highway

(i) To demand, collect and appropriate, Fee from vehicles and Users liable for payment of Fee for using the Project Highway or any part thereof and refuse entry of any vehicle if the Fee due is not paid.

(ii) Right of Way, access and licence to the Site.

E Obligation of the Company

(i) The comapny shall not assign, transfer or sublet or create any lien or Encumbrance on the SCA, or the Concession granted or on the whole or any part of the Project Highway nor transfer, lease or part possession thereof, save and except as expressly permitted by SCA or the Substitution Agreement.The project highway means site comprising the existing road comprising (MSH-6) from KM 10.400 TO 60.200, Beed Bypass KM 292.500 to 305.650 and Zalta Bypass KM 0.00 to 2.850 and all Project asset, and its subsequent development and augmetation in accordance with the SCA.

F Details of any assets to be given or taken at the end of concession period

(i) At the end of the Concession period the company shall hand over the vacant and peaceful possession of the Project Assets including Project Site/Facility at no cost to the GOM.

42 Previous year figures:

Previous year figures have been regrouped/reclassified wherever necessary, to facilitate comparability with current year's classification.

As per our report of even date

For S G D G & Associates LLP
Chartered Accountants
ICAI Firm Registration No. W100188

(Devansh Gandhi)
Partner
Membership No.129255

Place: Ahmedabad
Date: May 17, 2019

AURANGABAD-JALNA TOLLWAY LTD. AHMEDABAD

For & On behalf of the Board of Directors of
Aurangabad Jalna Tollway Limited

(Vikram Patel)	**(Vipul Patel)**
Director	**Director**
DIN: 00048318	**DIN: 06634262**

Place: Ahmedabad
Date: May 17, 2019

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