

Manubhai & Shah LLP

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To The Members of Bhilwara Rajsamand Tollway Private Limited Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Bhilwara Rajsamand Tollway Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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.

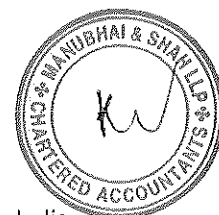
Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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



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

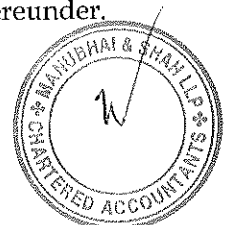
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2017 and its financial performance including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

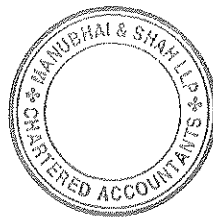
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the 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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.



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- (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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"
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company did not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. Refer Note 43 to the Ind AS financial statements.



Place: Ahmedabad
Date: 15/05/2017

For Manubhai & Shah LLP
Chartered Accountants
Firm's Registration No 106041W/W100136

Kuntel

(K.C Patel)
Partner
Membership No.30083

Manubhai & Shah LLP

Chartered Accountants

Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the **Bhilwara Rajsamand Tollway Private Limited** on the financial statements for the year ended 31st March 2017, we report that:

- (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) The Company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Therefore, the reporting requirements of paragraph 3 (iii) of the Order are not applicable.
- (iv) The Company has not given loans, made investments or provided guarantees or security, attracting the provisions of sections 185 and 186 of the Act. Hence the reporting requirements of paragraph 3(iv) of the Order are not applicable.
- (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) The Company has made and maintained the cost records prescribed by the Central Government under section 148(1) of the Act.
- (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, sales tax, wealth tax, custom duty, excise duty, value added tax, cess and other material statutory dues as applicable have generally been regularly deposited during the year by the Company with the appropriate authorities except dues of Employees' State Insurance of Rs. 4,673 (Rupees four thousand six hundred seventy three only).

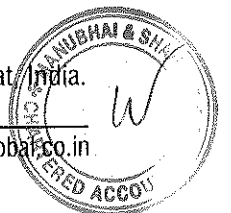
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, value added tax, cess and other material statutory dues were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable except dues of Employees' State Insurance of Rs.4673 (Rupees four thousand six hundred seventy three only).

- (b) According to the information and explanations given to us, there are no material dues of income tax, wealth tax, duty of excise, duty of customs, sales tax or service tax or value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute.

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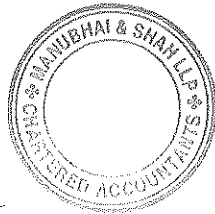


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- (viii) Based on our audit procedure and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks and debenture holders.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Also the Company has not raised any term loans during the year. Accordingly, the reporting requirement of paragraph 3(ix) of the Order is not applicable.
- (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 provisions of Clause 3(xii) of the Order are 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 under review. Hence the reporting requirement of paragraph 3(xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly reporting requirement of paragraph 3(xv) of the Order 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.

Place : Ahmedabad

Date : 15/05/2017



For Manubhai and Shah LLP
Chartered Accountants
Firm's Registration No.106041W/W100136

K C Patel

(K C Patel)

Partner

Membership No. 30083

Manubhai & Shah LLP

Chartered Accountants

Report on Internal Financial Controls over Financial Reporting

Annexure 'A' To the Independent Auditor's Report Of Even Date On The Ind AS Financial Statements Of Bhilwara Rajsamand Tollway Private Limited

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

We have audited the internal financial controls over financial reporting of Bhilwara Rajsamand Tollway Private Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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

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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting


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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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.



Place: Ahmedabad
Date: 15/05/2017

For Manubhai & Shah LLP
Chartered Accountants
Firm's Registration No. 106041W/W100136

(K.C. Patel)
Partner
Membership No.30083

Bhilwara Rajsamand Tollway Private Limited
Balance Sheet as at March 31, 2017

Particulars	Note No.	As at	As at	As at
		March 31, 2017	March 31, 2016	April 1, 2015
		INR in Million	INR in Million	INR in Million
ASSETS				
1 Non-current Assets				
(a) Property, Plant and Equipments	4	1.51	1.33	-
(b) Investment Property	5	2.27	2.27	2.27
(c) Intangible Assets	6	4,066.55	-	-
(d) Intangible Asset under development	6	-	4,027.83	2,108.72
(e) Financial Assets				
(i) Investments	7	0.02	0.02	0.02
(ii) Other Financial Assets	9	0.01	-	-
(f) Other Non Current Assets	10	52.67	44.57	616.96
Total Non Current Assets		4,123.03	4,076.02	2,727.97
2 Current Assets				
(a) Financial Assets				
(i) Investments	7	-	16.37	-
(ii) Cash and Cash Equivalents	8	7.23	5.37	5.26
(iii) Other Current Financial Assets	9	33.98	140.32	577.06
(b) Current Tax Assets				
(c) Other Current Assets	10	0.94	-	-
Total Current Assets		42.15	162.06	582.32
Total Assets		4,165.18	4,238.08	3,310.29
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	11	173.40	173.40	173.40
Other Equity	12	1,060.95	1,157.25	1,157.31
Total Equity		1,234.35	1,330.65	1,330.71
LIABILITIES				
1 Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	2,741.03	2,578.14	1,246.62
(b) Provisions	14	44.04	-	-
Total Non-current liabilities		2,785.07	2,578.14	1,246.62
2 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	96.85	130.00	11.90
(ii) Trade Payables	16	28.83	161.72	629.74
(iii) Other Financial Liabilities	17	4.13	26.10	75.57
(b) Other Current Liabilities	18	0.59	11.47	15.75
(c) Provisions	14	15.36	-	-
Total Current liabilities		145.76	329.29	732.96
Total Equity and Liabilities		4,165.18	4,238.08	3,310.29

Summary of significant accounting policies 3.1

The accompanying notes are in integral part of the financial statements

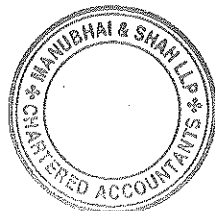
As per our report of even date

For Manubhai & Shah LLP

Chartered Accountants

ICAI Firm Registration No. 106041W/W100136

K. C. Patel
K. C. Patel
Partner
Membership No.30083



Place: Ahmedabad
Date: 15/05/2017

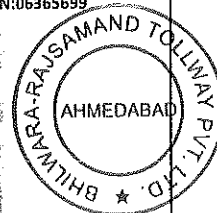
For & On behalf of the Board of Directors of
Bhilwara-Rajsamand Tollway Private Limited

S. V. Patel
Shashin Patel
Director
DIN: 00048328

M. Mehta
Minir Mehta
Company Secretary
M. No. - A29648

Place: Ahmedabad
Date: 15/05/2017

Gunvantray Trivedi
Gunvantray Trivedi
Director
DIN:06365699



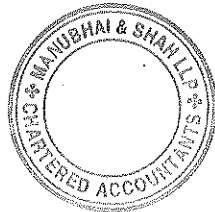
Bhilwara Rajsamand Tollway Private Limited
Statement of Profit and Loss For the year ended March 31, 2017

Particulars	Note No.	March 31, 2017	March 31, 2016
		INR in Million	INR in Million
INCOME			
I Revenue From Operations	19	625.85	3,121.95
II Other Income	20	0.86	1.34
III Total Income (I+II)		626.71	3,123.29
EXPENSES			
Construction Expense	21	240.13	2,867.34
Operating Expense	22	103.10	-
Employee Benefits Expenses	23	13.73	-
Finance Cost	24	324.78	240.60
Depreciation and Amortization Expenses	4 & 6	21.27	0.04
Other Expenses	25	20.02	15.37
IV Total Expenses		723.03	3,123.35
V Loss For the year (III-IV)		(96.32)	(0.06)
VI Other Comprehensive Income		-	-
VII Total Comprehensive Income for the year, net of tax (V+VI)		(96.32)	(0.06)
Earning Per Share (Nominal Value of share INR 10/-) (31 March 2016: INR 10/-) Basic & Diluted		(5.55)	(0.00)
Summary of significant accounting policies	3.1		

The accompanying notes are an integral part of the financial statements
As per our report of even date
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

K. C. Patel

K. C. Patel
Partner
Membership No.30083



Place: Ahmedabad
Date: 15/05/2017

For & On behalf of the Board of Directors of
Bhilwara-Rajsamand Tollway Private Limited

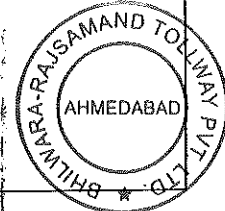
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M. No. - A29648

Place: Ahmedabad
Date: 15/05/2017

G. Trivedi

Gunvantray Trivedi
Director
DIN:06365699



Bhilwara Rajsamand Tollway Private Limited
Cash Flow Statement For the year ended March 31, 2017

Particulars	March 31, 2017	March 31, 2016
	INR in Million	INR in Million
(A) Cash flows from operating activities		
Net (Loss) Before Tax after exceptional items	(96.32)	(0.06)
Adjustments for:		
Depreciation and Amortisation	21.27	0.04
Interest Expense	324.78	240.60
Dividend and Gain on sale of Investments (net)	(0.86)	(1.34)
Major Maintenance Expense	43.90	-
Operating profit before working capital changes	292.76	239.24
Adjustments for:		
(Increase)/Decrease in non current asset	-	591.70
(Increase)/Decrease in financial asset	106.34	436.75
(Increase)/Decrease in other current asset	(0.94)	-
(Increase)/Decrease in Non Current Provisions	0.15	-
Increase/(Decrease) in other current financial liabilities	(157.39)	(517.49)
Increase/(Decrease) in other current liabilities	(10.88)	(4.28)
Increase/(Decrease) in Short Term Provisions	15.36	-
Cash generated from Operations	245.40	745.92
Direct Taxes Paid	(8.11)	(19.30)
Net cash flow from operating activities (A)	237.30	726.61
(B) Cash Flows from investing activities		
Purchase of Fixed assets	(60.17)	(1,920.48)
Investment in Mutual Fund (net of sale of investment)	17.23	(15.04)
Net cash generated / (used) in investing activities (B)	(42.94)	(1,935.52)
(C) Cash Flows from financing activities		
Proceeds from Long-term Borrowings	163.90	1,330.00
Proceeds from Unsecured Loan in lieu of Grant from Holding company	270.93	1,187.80
Repayment of Unsecured Loan in lieu of Grant from Holding company	(400.93)	(1,057.80)
Proceeds from Short-term borrowings from Holding company	104.02	24.80
Repayment of Short-term borrowings from Holding company interest and other borrowing cost Paid	(7.17)	(36.70)
	(323.26)	(239.08)
Net cash generated / (used) in financing activities (C)	(192.51)	1,209.02
Net (decrease)/increase in cash and cash equivalents (A + B + C)	1.86	0.12
Cash and cash equivalents at beginning of the year	5.37	5.25
Cash and cash equivalents at end of the year	7.23	5.37

Notes:

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

Cash on hand
Balances with banks in current accounts
Cash and Cash Equivalents

	March 31, 2017	March 31, 2016
	INR in Million	INR in Million
Cash on hand	1.94	0.01
Balances with banks in current accounts	5.29	5.36
Cash and Cash Equivalents	7.23	5.37

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

(iii) Figures in brackets represent outflows.

As per our report of even date

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

K. C. Patel
Partner
Membership No.30083



Place: Ahmedabad
Date :15/05/2017

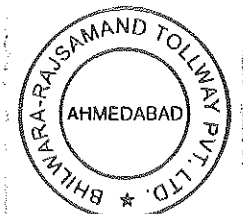
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Director
DIN:06365699

Mifir Mehta
Company Secretary
M. No. - A29648

Place: Ahmedabad
Date :15/05/2017



Bhilwara Rajsamand Tollway Private Limited
Statement of Changes in Equity for the year ended March 31, 2017

A Equity Share Capital

	No. of shares	INR In Million
At 1 April 2015	1 73 40 000	173.40
At 31 March 2016	1 73 40 000	173.40
At 31 March 2017	1 73 40 000	173.40

B Other Equity

Particulars	Equity Component of Compound Financial Instrument	Reserves and Surplus		Total
		Retained Earning		
As at April 1, 2015	1159.60	(2.29)		1157.31
Total Comprehensive Income for the year		(0.06)		(0.06)
As at March 31, 2016	1159.60	(2.35)		1157.25
As at April 1, 2016	1159.60	(2.35)		1157.25
Total Comprehensive Income for the year		(96.32)		(96.32)
As at March 31, 2017	1159.60	(98.67)		1060.95

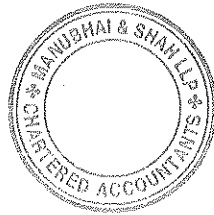
As per our report of even date

For & On behalf of the Board of Directors of
Bhilwara-Rajsamand Tollway Private Limited

For Manubhai & Shah LLP
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ICAI Firm Registration No. 106041W/W100136

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Membership No.30083



S. V. Patel

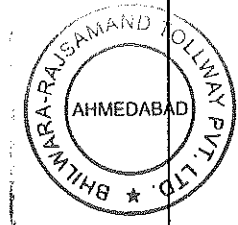
Shashin Patel
Director
DIN: 00048328

Gurvantray Trivedi

Gurvantray Trivedi
Director
DIN:06365699

M. Mehta

Mihir Mehta
Company Secretary
M. No. - A29648



Place: Ahmedabad
Date :15/05/2017

Place: Ahmedabad
Date :15/05/2017

Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

1. Company information:

Bhilwara-Rajsamand Tollway Private Limited ("the Company") is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. It is a wholly 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 December, 2012, for the purpose of Four Laning of Rajsamand (NH-8) - Gangapur-Bhilwara (NH-79) in the section of NH-758 (from km 0.000 to km 86.400) in the state of Rajasthan on Design, Build, Finance, Operate and Transfer ("DBFOT") basis. The Company has entered into Concession Agreement with National Highways Authority of India (NHAI) with a Concession Period of 30 years including construction period of 910 days w.e.f. 9th October, 2013. The Company had received provisional completion certificate dated 4th June, 2016 from NHAI. The toll collection had commenced from 09th June, 2016.

The financial statements were authorized for issue in accordance with a resolution of the directors on May 17, 2017.

2. Basis of preparation

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.

For all period up to and including the year ended March 31, 2016, the Company prepared its financial statement in accordance with the Accounting standards specified in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provision of the Act. These financial statements for the year ended March 31, 2017 are the first financial statements that the company has prepared in accordance with Ind AS. Refer to note no. 37 for information of how the transition from previous GAAP to Ind AS has affected the company's Balance sheet, Statement of profit & loss and Statement of cash flow.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in INR and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

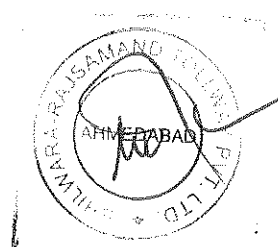
3. Summary of significant accounting policies

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



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

• 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.

Operating cycle

The Company's has identified twelve months as its normal operating cycle.

3.2 Foreign Currencies

The company's financial statements are presented in INR, which is also the company's functional currency.

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.

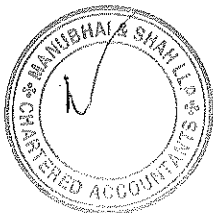
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3.3 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Toll collection income

The revenue is recognized in the period of collection which generally coincide as and when the traffic passes through toll – plazas.



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

(i) 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.

(ii) Dividend

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

Revenue from Service Concession Arrangement:

(i) Construction Revenue:

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of a contract is determined considering the proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total contract costs

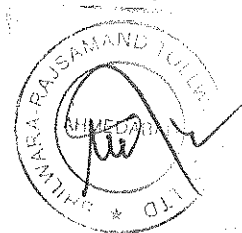
Contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured. Contract revenue is measured at the fair value of the consideration received or receivable.

Percentage of completion is determined based on the proportion of actual cost incurred to the total estimated cost of the project. The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognised in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognised as an expense in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the Statement of Profit and Loss in the period in which such probability occurs

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.



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

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 (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.

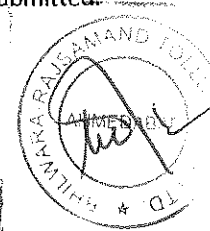
Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

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

3.5 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 A to Ind AS 11. 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.



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

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 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 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.

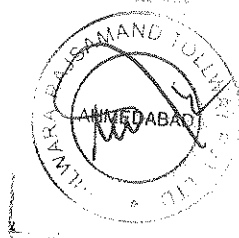
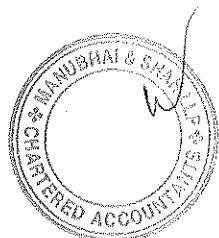
Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation

Software is amortized over management estimate of its useful life of 3-6 years.

3.7 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



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

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.

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

3.8 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.

Transition to Ind AS

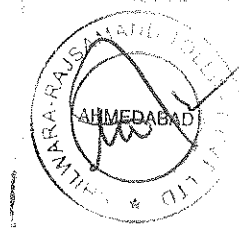
The carrying value of Investment Property under previous GAAP as on 01 April 2015 is regarded as its cost. The carrying value was original cost less accumulated depreciation and cumulative impairment, if any.

3.9 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.

3.10 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



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

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.

3.11 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 :

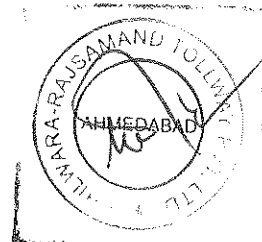
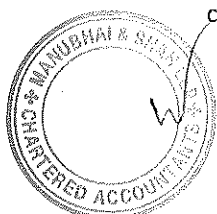
A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal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

• 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.



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

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.

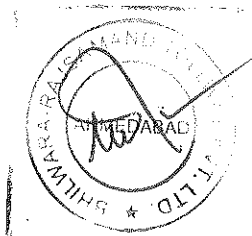
All financial liabilities are recognised initially at fair value. All financial liabilities are recognised initially at fair value and, in the case of loan and borrowings and payable, net of directly attributable transaction costs.

ii. Subsequent measurement of financial liabilities

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

• 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.



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

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**

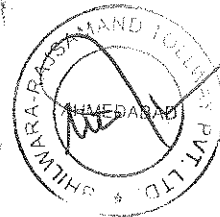
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if the Company currently has enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.12 Fair Value Measurement

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

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



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

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

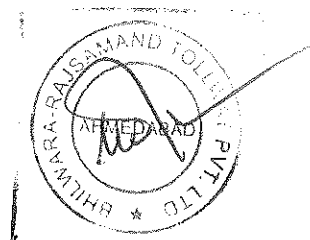
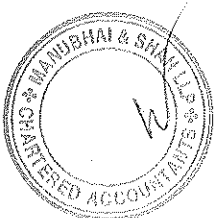
For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as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



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

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)

3.13 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.

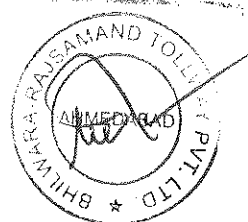
Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately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

3.14 Income tax

Income tax expense comprises current tax and deferred tax.



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

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

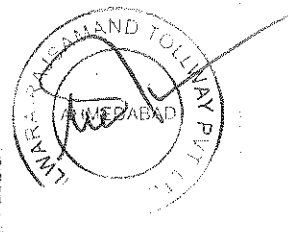
Deferred tax is provided using the balance sheet approach. Deferred tax is recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences excepts 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 excepts 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.

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 first 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 originate. 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 originate 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.



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

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.

3.15 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

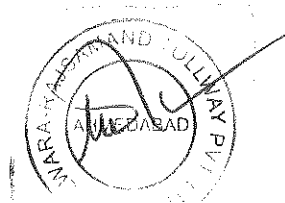
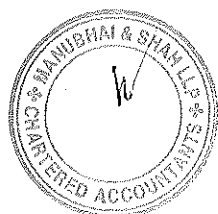
The Company has contractual obligations to maintain the road to a specified level of serviceability or restore the road to a specified condition before it is handed over to the grantor of the Concession Agreements. Such obligations are measured at the best estimate of the expenditure that would be required 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.

3.16 Contingent liabilities

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.

3.17 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.



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

3.18 Earnings 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.

3.19 Segment reporting

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

4. 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.

Estimates and assumptions

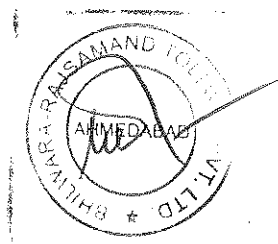
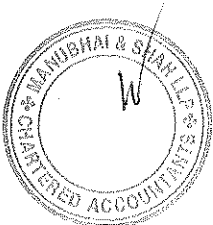
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions 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.

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.

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.



Bhilwara - Rajsamand Tollway Private Limited
Notes to Financial statement for the year ended March 31, 2017

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 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.

Property, plant and equipment

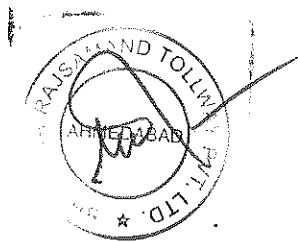
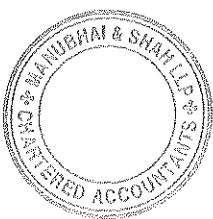
Refer Note 3.4 for the estimated useful life of Property, plant and equipment. The carrying value of Property, plant and equipment has been disclosed in Note 5.

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

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.



Bhilwara Rajsamand Tollway Private limited
Notes to Financial Statements for the year ended March 31, 2017

4 Property, Plant and Equipment

Particulars	(INR In Million)			
	Plant and Equipments	Furniture & Fixtures	Office Equipments	Total Tangible Assets
Cost				
As at April 01, 2015	-	-	-	-
Addition	1.37	-	-	1.37
Disposal	-	-	-	-
As at March 31, 2016	1.37	-	-	1.37
Addition	-	0.34	0.24	0.57
Disposal	-	-	-	-
As at March 31, 2017	1.37	0.34	0.24	1.94
Accumulated Depreciation				
As at April 01, 2015	-	-	-	-
Depreciation for the year	0.04	-	-	0.04
Disposal	-	-	-	-
As at March 31, 2016	0.04	-	-	0.04
Depreciation for the year	0.24	0.07	0.08	0.40
Disposal	-	-	-	-
As at March 31, 2017	0.28	0.07	0.08	0.44
Net Block				
As at April 01, 2015	-	-	-	-
As at March 31, 2016	1.33	-	-	1.33
As at March 31, 2017	1.09	0.26	0.15	1.51

Notes:

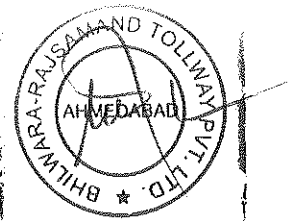
Property Plant and Equipments have been pledged against secured borrowings in order to fulfill the collateral requirement for the Lenders.(refer note 13)

5 Investment Property

Particulars	(INR In Million)	
	Land	Total
Cost		
As at April 01, 2015	2.27	2.27
Addition	-	-
Disposal	-	-
As at March 31, 2016	2.27	2.27
Addition	-	-
Disposal	-	-
As at March 31, 2017	2.27	2.27
Accumulated Depreciation		
As at April 01, 2015	-	-
Charge for the Year	-	-
Disposal	-	-
As at March 31, 2016	-	-
Charge for the Year	-	-
Disposal	-	-
As at March 31, 2017	-	-
Net Book Amount		
As at April 01, 2015	2.27	2.27
As at March 31, 2016	2.27	2.27
As at March 31, 2017	2.27	2.27

Notes:

- The Company has elected to continue with the carrying value for its Investment property, as recognised in its previous GAAP financials, as deemed cost at the transition date i.e. April 1, 2015 as per option permits under Ind AS 101 for the first time adopter.
- There is no income arising from above investment properties. Further, the company has not incurred any expenditure for above properties.
- The above land which is situated at Sudhagad (Pali) has been mortgaged against secured borrowings in order to fulfill the collateral requirement of the Lenders. (refer note 13)
- The Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- The fair value disclosure for investment property is not presented as the property is specifically acquired for offering as security for borrowings and based on the information available with the management that there are no material development in the area where land is situated. Accordingly, they believe that there is no material difference in fair value and carrying value of property.

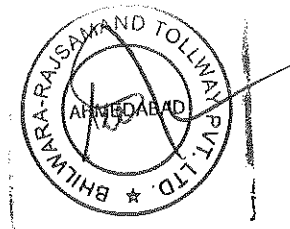


Bhilwara Rajsamand Tollway Private limited
Notes to Financial Statements for the year ended March 31, 2017

6 Intangible Assets :

Particulars	(INR In Million)	
	Toll Collection Rights	Intangible Assets Under development
Cost		
As at April 01, 2015	-	2108.72
Addition	-	3120.51
Adjustment During the Year	-	(1201.40)
As at March 31, 2016	-	<u>4027.83</u>
Addition	4087.42	59.60
Adjustment During the Year	-	(4087.42)
As at March 31, 2017	<u>4087.42</u>	-
Accumulated Amortisation		
As at 01/04/2015	-	-
Charge for the Year	-	-
Disposal	-	-
As at March 31, 2016	-	-
Charge for the Year	20.87	-
As at March 31, 2017	<u>20.87</u>	-
Net Book Amount		
As at 01/04/2015	-	2108.72
As at March 31, 2016	-	<u>4027.83</u>
As at March 31, 2017	<u>4066.55</u>	-

- 1 Toll collection rights of four laning of Rajsamand- Bhilwara section of NH-758 section were capitalised when the project was complete in all respects and when the Company received 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.
- 2 Toll collection right has been pledged against Secured borrowings in order to fulfill the collateral requirement of the Lenders. (refer note 13)
- 3 Refer Note 40 For Disclosure pursuant to Appendix - A to Ind AS 11 - " Service Concession Arrangements" ('SCA')
- 4 The remaining amortisation period for the Toll collection rights at the end of the reporting period is 27.54 years (March 31, 2016: NA and April 1, 2015: NA)



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

7 Investments

Non Current

National Saving certificate

	March 31, 2017 INR IN Million	March 31, 2016 INR in Million	April 1, 2015 INR in Million
National Saving certificate	0.02	0.02	0.02
Total	0.02	0.02	0.02

Current

Investments carried at fair value through profit or loss
(8,03,186 Units of ICICI Ultra short term plan - Growth and
18,331 units ICICI Liquid plan as at March 31, 2016)

	March 31, 2017 INR IN Million	March 31, 2016 INR in Million	April 1, 2015 INR in Million
Investments carried at fair value through profit or loss	-	16.37	-
Total	-	16.37	-
Total	0.02	16.39	0.02

Aggregate amount of Unquoted Investments

Fair value disclosures for financial assets are given in Note 35

8 Cash and Cash Equivalents

Cash on Hand

Balances with Banks
in Current Accounts

	March 31, 2017 INR IN Million	March 31, 2016 INR in Million	April 1, 2015 INR in Million
Cash on Hand	1.94	0.01	0.01
Balances with Banks in Current Accounts	5.29	5.36	5.25
Total	7.23	5.37	5.26

Note: Balances with banks include balance of INR 3.01 million (March 31, 2016 INR 5.23 million, April 01, 2015 INR 4.87 million) lying in the escrow accounts as per terms of borrowings with the lenders

9 Other Financial Assets

Non Current

Interest Accrued But Not Due on NSC

	March 31, 2017 INR IN Million	March 31, 2016 INR in Million	April 1, 2015 INR in Million
Interest Accrued But Not Due on NSC	0.01	0.00	0.00
Total	0.01	0.00	0.00

Current

Receivable from NHAI towards Utility Shifting
Receivable from NHAI - Toll suspension (refer note 1 below)
Security Deposits
Toll receivable
Grant Receivable from Authority

	March 31, 2017 INR IN Million	March 31, 2016 INR in Million	April 1, 2015 INR in Million
Receivable from NHAI towards Utility Shifting	12.10	10.18	12.24
Receivable from NHAI - Toll suspension (refer note 1 below)	21.83	-	-
Security Deposits	0.04	-	-
Toll receivable	0.01	-	-
Grant Receivable from Authority	-	130.14	564.82
Total	33.98	140.32	577.06
Total	33.99	140.32	577.06

Note:

- Pursuant to demonetisation, concessioning authorities had announced suspension of toll collection at all roads from November 09, 2016 until December 2, 2016. Based on subsequent notification and provisions of concession agreement with the relevant authorities, the Company has claimed and recognised revenue of Rs. 31.28 Millions during the year. As at March 31, 2017, the company has received Rs. 9.45 million against such claim from NHAI.
- Fair value disclosures for financial assets are given in Note 35

10 Other Assets

Non Current

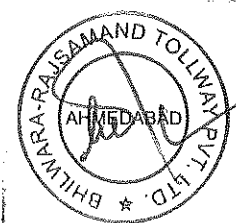
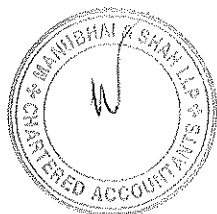
Tax Credit Receivable
Advance To Contractor

	March 31, 2017 INR IN Million	March 31, 2016 INR in Million	April 1, 2015 INR in Million
Tax Credit Receivable	52.67	44.57	25.26
Advance To Contractor	0.00	0.00	591.70
Total	52.67	44.57	616.96

Current

Prepaid expenses
Advance Recoverable in kind

	March 31, 2017 INR IN Million	March 31, 2016 INR in Million	April 1, 2015 INR in Million
Prepaid expenses	0.44	-	-
Advance Recoverable in kind	0.50	-	-
Total	0.94	-	-
Total	53.61	44.57	616.96



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

11	Equity Share Capital	March 31, 2017		March 31, 2016		April 1, 2015	
		No. of Shares	INR In Million	No. of Shares	INR In Million	No. of Shares	INR In Million
	Authorized Share Capital						
	Equity Shares of INR 10/- each	26,700,000	267.00	26,700,000	267.00	26,700,000	267.00
	Total	26,700,000	267.00	26,700,000	267.00	26,700,000	267.00
	Issued, Subscribed and fully paid						
	Equity Shares of INR 10 each	17,340,000	173.40	17,340,000	173.40	17,340,000	173.40
	Total	17,340,000	173.40	17,340,000	173.40	17,340,000	173.40

(ii) **Reconciliation of number of equity shares outstanding as at beginning and end of the reporting period:**

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	INR In Million	No. of Shares	INR In Million	No. of Shares	INR In Million
At the beginning of the year	17,340,000	173.40	17,340,000	173.40	17,340,000	173.40
Add: Issue during the year						
outstanding at the end of the year	17,340,000	173.40	17,340,000	173.40	17,340,000	173.40

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

The Company has only one class of shares referred to as equity shares having a par value of INR 10 each. Each shareholder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the residual assets of the Company, after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

(iv) **Shares held by holding company**

Out of issued, subscribed and paid up equity capital 17,340,000 shares (P.Y. 17,340,000 shares) are held by Sadbhav Infrastructure Project Limited- holding company and its nominees. This includes, 100 shares are held by Sadbhav Engineering Limited- Ultimate Holding Company, on behalf of Sadbhav Infrastructure Project Limited which is the beneficial owner.

(v) **Number of shares held by each shareholder holding more than 5% shares in the company**

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	% of shareholding	No. of Shares	% of shareholding	No. of Shares	% of shareholding
Equity shares of INR 10 each fully paid						
Sadbhav Infrastructure Project Limited including its Nominees**	17340000	100%	17340000	100%	17340000	100%

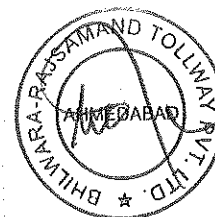
** As per the records of the company, including its registers of shareholders/member and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

12 **Other Equity**

	March 31, 2017	March 31, 2016	April 1, 2015
	INR IN Million	INR In Million	INR In Million
Equity Component of Compound Financial Instrument (refer note below)			
Balance as per last financial statement	1159.60	1159.60	1159.60
Retained Earning			
(Deficit) as at the beginning of the year	(2.35)	(2.29)	(2.29)
Add: Net loss transferred from Statement of Profit and Loss	(96.32)	(0.06)	-
(Deficit) as at the end of the year	(98.65)	(2.35)	(2.29)
Total	1060.95	1157.25	1157.31

Note:

- The Project of the Company has been funded through sub ordinate debt of Rs. 1,159.60 million 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 Promoters 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.
- Under previous GAAP, Sub-debts loan received from promoters as promoter's contributions disclosed under long term borrowings. Under Ind AS, the Interest free sub-debts loan as promoter's contributions considered as equity component of compound financial instrument and classified as other equity based on terms of



Dhillwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

13 Non Current Borrowings	March 31, 2017 INR IN Million	March 31, 2016 INR In Million	April 1, 2015 INR In Million
From Banks - Secured Rupee Term Loan *	2742.04	2576.62	1245.09
	<u>2742.04</u>	<u>2576.62</u>	<u>1245.09</u>
Less :: Current Maturity of Secured borrowings	(1.01)	1.52	1.52
	<u>(1.01)</u>	<u>1.52</u>	<u>1.52</u>
Total	<u>2741.03</u>	<u>2578.14</u>	<u>1246.62</u>

* includes the effect of balance unamortised processing fee paid to Lenders on upfront basis.

(i) The details of Security in respect of Term Loans are as under:

- 1 first ranking mortgage and charge on all the Company's immovable properties, both present and future, save and except the Project Assets;
- 2 first charge on all the Company's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future, save and except the Project Assets;
- 3 first charge over all bank accounts of the Company including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with Loan Agreement and the Supplementary Escrow Agreement or any other Project Documents and all funds from time to time deposited therein;
- 4 first charge on all intangibles assets of the Company including but not limited to goodwill, rights, undertakings and uncalled capital present and future excluding the Project Assets .
- 5 assignment by way of security in:
 - all the right, title, interest, benefits, claims and demands whatsoever of the Company in the Project Documents;
 - the right, title and interest of the Company in, to and under all the Clearances;
 - 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;
 - all the right, title, interest, benefits, claims and demands whatsoever of the Company under all Insurance Contracts.
- 6 a first ranking pledge of shares equivalent to 51% of the paid-up share capital held by the Promoters in compliance with the requirements of Sections 19(2) and 19(3) of the Banking Regulation Act, 1949 till the Final Settlement date.

Notes:

- the aforesaid mortgages, charges, assignments and guarantees and the pledge of equity shares as stipulated in paragraph 6 above shall in all respects rank pari-passu Inter-se amongst the Lenders, in accordance with the Concession Agreement, without any preference or priority to one over the other or others;
- the Security Interest stipulated in para 1 to 6 above shall exclude the Project Assets (as defined in and in accordance with the Concession Agreement).

(ii) Terms of Repayment :

In respect of:

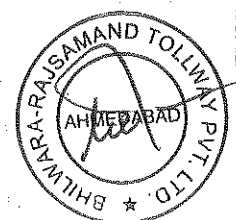
(a) Term Loans from Banks:

The Principal amount of the loan is repayable to the Lenders in 174 structured monthly installments, commencing from the expiry of thirteenth (13th) calendar month starting from the calendar month in which the SCOD occurs.
Term loans carry average interest rate of 11.50 per cent per annum as at March 31, 2017.



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

14 Provisions	March 31, 2017 INR IN Million	March 31, 2016 INR In Million	April 1, 2015 INR In Million
Non Current			
For Employee Benefits (refer note 30)	0.14	-	-
Major Maintenance Expenses (refer note28)	43.90	-	-
Total	44.04	-	-
Current			
For Employee Benefits	0.08	-	-
Provision for Incomplete work (refer note28)	15.28	-	-
Total	15.36	-	-
Total	59.40	-	-
15 Current Borrowings	March 31, 2017 INR IN Million	March 31, 2016 INR In Million	April 1, 2015 INR In Million
Loans Repayable on Demand - Unsecured			
Loan from Holding Company* (refer note 31)	96.85	-	11.90
Loan in Lieu of Grant from Promoter (refer note 31)	-	130.00	-
Total	96.85	130.00	11.90
* Loan is repayable on demand / call notice from the lender and it carry interest of 11.00% to 11.10% per annum. (March 31, 2016: 11.45% and April 1, 2015: 11.45%)			
16 Trade Payables	March 31, 2017 INR IN Million	March 31, 2016 INR In Million	April 1, 2015 INR In Million
Trade Payables (refer note 31 and 35)	28.83	161.72	629.74
Total	28.83	161.72	629.74
17 Other Financial Liabilities	March 31, 2017 INR IN Million	March 31, 2016 INR In Million	April 1, 2015 INR In Million
Current Maturities of Secured Non Current borrowings*	1.01	(1.52)	(1.52)
Interest accrued and due on borrowings (refer note 31)	2.20	-	0.78
Employee Emoluments payable	0.80	-	-
Security & Other Deposits	0.12	27.62	76.31
Total	4.13	26.10	75.57
* includes the effect of current maturities of unamortised processing fee paid to lenders on upfront basis			
18 Other Current Liability	March 31, 2017 INR IN Million	March 31, 2016 INR In Million	April 1, 2015 INR In Million
Statutory dues	0.55	11.47	15.75
Advance from customers	0.04	-	-
Total	0.59	11.47	15.75



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

	March 31, 2017 INR IN Million	March 31, 2016 INR In Million
19 Revenue From Operations		
Revenue from Toll Collection (refer note below)	329.24	-
Construction Contract Revenue (Notional)	59.60	1919.11
Grant - Consideration From NHAI	237.01	1202.84
Total	625.85	3121.95

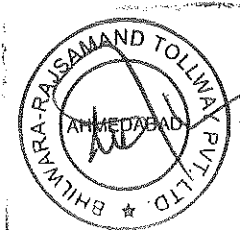
Note: Pursuant to demonetisation, concessioning authorities had announced suspension of toll collection at all roads from November 09, 2016 until December 02, 2016. based on subsequent notification and provisions of concession agreement with the relevant authorities, the company has claimed and recognised revenue of 31.28 million during the year which is included in revenue from toll collection. The company has received INR 9.45 million against the claim.

	March 31, 2017 INR IN Million	March 31, 2016 INR In Million
20 Other Income		
Gain on Sale of Mutual Funds (Net)	0.86	1.34
Interest Income	-	-
Total	0.86	1.34

	March 31, 2017 INR IN Million	March 31, 2016 INR In Million
21 Construction Expense		
Construction Expense	240.13	2867.35
Total	240.13	2867.35

	March 31, 2017 INR IN Million	March 31, 2016 INR In Million
22 Operating Expense		
Toll Plaza and Road Operations & Maintenance expenses (including payment to sub contractors)(refer note 31)	32.02	-
Periodic Major Maintenance Expense (refer note 28)	43.90	-
Power and Fuel	14.10	-
Security expenses	11.90	-
Vehicle expenses	1.18	-
Total	103.10	-

	March 31, 2017 INR IN Million	March 31, 2016 INR In Million
23 Employee Benefits Expenses		
Salaries, wages and other allowances (refer note 28)	9.99	-
Contribution to provident fund and other fund (refer note 28)	0.98	-
Gratuity Expense (refer note 28)	0.14	-
Staff welfare expenses	2.62	-
Total	13.73	-



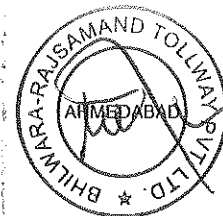
Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

24 Finance Cost	March 31, 2017 INR IN Million	March 31, 2016 INR In Million
Interest Expenses on:		
Rupee Term Loans	317.99	238.60
Short Term Borrowings (refer note 31)	4.93	0.38
Amortisation of Processing Fees	1.52	1.52
Other Borrowing costs	0.34	0.10
Total	324.78	240.60

25 Other Expenses	March 31, 2017 INR IN Million	March 31, 2016 INR In Million
Rent (refer note 31)	1.34	1.03
Repairs and maintenance	0.02	-
Insurance	1.96	0.62
Legal and professional fees	12.92	13.25
Communication Expense	0.28	0.01
Travelling and conveyance	0.07	0.02
Cash Collection charges	0.69	-
Auditors' remuneration (refer note below)	0.08	0.42
Advertisement Expense	0.76	-
Miscellaneous expenses	1.90	0.02
Total	20.02	15.37

25.1 Payment to auditors:

	March 31, 2017 INR IN Million	March 31, 2016 INR In Million
as Statutory Auditor	0.08	0.07
For Certification		0.31
Total	0.08	0.38



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

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A) Income tax

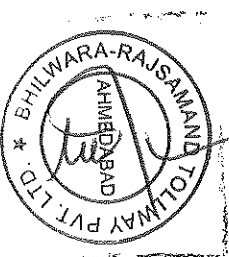
The company has not recognised any tax expense in statement of profit and loss account, So reconciliation between tax expense and accounting profit is not required

B) Deferred tax

Particulars	Balance sheet			Statement of Profit and Loss (refer note 2 below)	
	March 31, 2017	March 31, 2016	April 1, 2015	16-17	15-16
Expenditure allowable over the period	6.79	7.26	7.73	0.47	0.47
Expenditure allowable on payment basis	(16.61)	(7.26)	(7.73)	9.35	(0.47)
Unused losses available for offsetting against future taxable income	9.82	-	-	(9.82)	-
Deferred tax expense/(income)	-	-	-	-	-
Net deferred tax assets/(liabilities)	-	-	-	-	-
Deferred tax asset not recognised (refer note 2 below)	36.47	-	-	36.47	-

Note

- 1 The Company offsets tax assets and liabilities 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 as it is not probable that future taxable profit will be available against which those temporary differences, losses and tax credit against which deferred tax asset can be utilized.



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

27 Earning Per Share (EPS):

Loss per share is calculated by dividing the net loss attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under :

Particulars	Unit	March 31, 2017	March 31, 2016
Net (Loss) as per Statement of Profit & Loss	INR Million	(96.32)	(0.06)
Weighted average of number of equity shares outstanding during the Period	Nos.	17,340,000	17,340,000
Nominal value of equity shares	INR	10	10
Basic & Diluted (Loss) per share	INR	(5.55)	(0.00)

28 Provisions

Movement in Provisions:

A) Major Maintenance Reserve (Refer note no. 14 and 24)*

	March 31, 2017
Carrying amount as at 01.04.2016	-
Add: Provision made during the Year	43.90
Add: increase during the year in the discounted amount due to passage of time	-
Less: Amounts used during the Year	-
Less: Unused amounts reversed during the Year	-
Carrying amount as at 31.03.2017	43.90

Expected time of outflow

F.Y. 2021 - 2022 &
F.Y. 2022-2023

B) Provision of incomplete work

	March 31, 2017
Carrying amount as at 01.04.2016	-
Add: Provision made during the Year	36.05
Add: increase during the year in the discounted amount due to passage of time	-
Less: Amounts used during the Year	20.77
Less: Unused amounts reversed during the Year	-
Carrying amount as at 31.03.2017	15.28

Expected time of outflow

F.Y. 2017-18

***Periodical Major Maintenance**

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 opinions and expected price levels.

29 Disclosure in respect of Construction Contracts

Revenue from fixed price construction contracts are recognized on the percentage of completion method, measured by reference to the percentage of cost incurred up to the year end to estimated total cost for each contract.

	2016-17	2015-16
I Contract revenue recognized as revenue in the year(including Government Grant)	296.61	3,121.95
II For Contracts that are in progress:-		
a. Contract costs incurred and recognized upto reporting date	(296.61)	(3,121.95)
b. Profits (less recognized losses) upto reporting	-	-
c. Advances received	-	-
d. Retention Money	-	-
III Unbilled Revenue	-	-
IV Unearned Revenue	-	-

Percentage completion method for income recognition on long term contracts involves technical estimates by engineers/technical officials, of percentage of completion and costs to completion of each project/contract on the basis of which profit/loss is allocated.



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

30 Employee Benefits Note

30.1 Defined Contribution Plans

Amount of INR 0.98 million (March 31, 2016: Nil) is recognised as expenses and included in Note No. 23 "Employee Benefits Expenses"

Particulars	March 31, 2017	March 31, 2016
Contribution to Provident Funds	0.68	-
Contribution to ESIC	0.27	-
Contribution to Benevolent Fund	0.02	-
Total	0.98	-

30.2 Information about the characteristics of defined benefit plan - Gratuity benefit plan.

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

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. 10,00,000 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 31/10/2044 whichever is earlier

30.3 The company is responsible for the governance of the plan.

30.4 Risk to the Plan

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

A Actuarial Risk:

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

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

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

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

B Liquidity Risk:

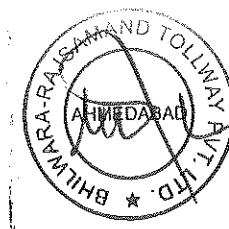
Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cashflows.

C 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.

D 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.



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

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

	March 31, 2017 INR In Million	March 31, 2016 INR In Million
Defined benefit obligations as at beginning of the year - A	-	-
Cost charged to statement of profit and loss		
Current service cost	0.14	-
Interest cost	-	-
Sub-total included in statement of profit and loss - B	0.14	-
Remeasurement gains/(losses) in other comprehensive income		
Sub-total included in OCI - C	-	-
Defined benefit obligations as at end of the year (A+B+C)	0.14	-

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

	March 31, 2017	March 31, 2016	April 1, 2015
Discount rate	7.15%		
Salary Growth Rate	6.00%		
Withdrawal rate	15% at younger ages reducing to 3% at older ages		N.A.
Mortality rate	Indian Assured Lives Mortality (2006-08)		

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

Particulars	Sensitivity level	March 31, 2017	March 31, 2016
		INR In Million	INR In Million
Discount rate	0.50% increase	0.13	
	0.50% decrease	0.15	
Salary Growth Rate	0.50% increase	0.15	N.A.
	0.50% decrease	0.13	
Withdrawal rate	10% increase	0.13	
	10% decrease	0.14	

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

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other

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.

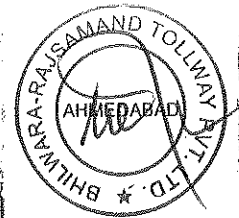
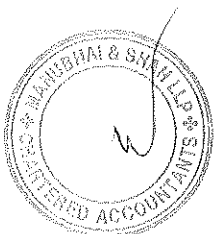
30.6 Maturity Profile of the Defined Benefit Obligation

March 31, 2017	INR in Million
2018	0.00
2019	0.00
2020	0.00
2021	0.00
2022	0.02
2023 - 2027	0.09
March 31, 2016	INR In Million
	N.A.

The average duration of the defined benefit plan obligation at the end of the reporting period is 25.76 years (March 31, 2016: N.A.)

30.7 Other employee benefit:

Salaries, Wages and Bonus include INR 0.29 million (Previous Year INR Nil) towards provision made in respect of accumulated leave encashment/compensated absences.



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

31 Related Party Disclosures:

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

31.1 Name of the related parties and description of relationship :

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

31.2 Transactions with Related Parties during the Year:

No.	Particulars	March 31, 2017 INR in Million	March 31, 2016 INR in Million
(i)	Unsecured Loan received (includes INR 41.12 million Transfer from Loan in lieu of grant) -SIPL	104.02	24.80
(ii)	Loan in lieu of Grant (INR 41.12 million transfer to Unsecured Loan) -SIPL	-	130.00
(iii)	Unsecured Loan repaid along with interest thereon -SIPL	9.40	37.48
(iv)	Interest on Unsecured Loan -SIPL	4.93	0.38
(v)	Road Development work -SEL	63.31	2,867.35
(vi)	Mobilization and Material Advance recovered -SEL	-	591.70
(vii)	Rent -SEL	1.04	1.03
(viii)	Utility Shifting, reimbursement of Expenses -SEL	37.51	152.40
(ix)	Operating Expense & Rehabilitation Expense -SIPL	181.75	-

31.3 Balance outstanding as at the Year end:

Particulars	March 31, 2017 INR in Million	March 31, 2016 INR in Million	April 1, 2015 INR in Million
(i) Other Equity (Sub ordinate Debt) -SIPL	1,159.60	1,159.60	1,159.60
(ii) Loan in Lieu of Grant -SIPL	-	130.00	-
(iii) Unsecured Loan -SIPL	96.85	-	11.9
(iv) Payable towards Road Development -SEL	-	182.90	699.7
(v) Payable towards Rent & Reimbursement of Expenses -SIPL	-	-	1.08
-SEL	13.64	0.49	3.77
(vi) Payable towards Operating Expenses & Rehabilitation Expense -SIPL	10.29	-	-
(vii) Interest Payable -SIPL	2.20	-	0.78
(viii) Mobilization and Material Advance -SEL	-	-	591.70

31.4 Terms and conditions:

Terms and conditions of the balance outstanding:

- 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.
- Short Term Loans (unsecured) in INR taken from the related party carries interest rate 11.00% to 11.10% (March 31, 2016 :11.45% and April 1, 2015 : 11.45%)
- The Company has not provided any commitment to the related party as at March 31, 2017 (March 31, 2016: Rs.Nil and April 1, 2015: Rs.Nil)

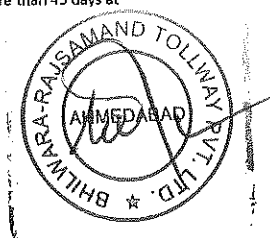
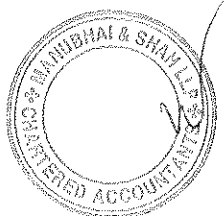
32 Segment Reporting

The operating segment of the company is identified to be "DBFOT (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.

33 Operating Lease:

Office premise of the Company have been taken on operating lease basis. The lease rent paid during the year Rs. 1.04 million (March 31, 2016: Rs. 1.03 million). These operating lease agreement are cancellable by giving short period notice by either of the parties to the agreement.

34 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.



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

35 Financial Instruments

35.1 Disclosure of Financial Instruments by Category

Financial instruments by categories	Note no.	INR in Million								
		March 31,2017			March 31,2016			April 1,2015		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset										
Investments in NSC	7	-	-	0.02	-	-	0.02	-	-	0.02
Investments in Mutual Funds	7	-	-	-	16.37	-	-	-	-	-
Cash and cash equivalent	8	-	-	7.23	-	-	5.37	-	-	5.26
Other financial asset	9	-	-	33.98	-	-	140.32	-	-	577.07
Total		-	-	41.23	16.37	-	145.72	-	-	582.34
Financial liability										
Non Current Borrowing	13	-	-	2,742.04	-	-	2,576.62	-	-	1,245.09
Loan From Holding company(including loan in lieu of Grant)	15	-	-	96.85	-	-	130.00	-	-	11.90
Trade Payables	16	-	-	28.83	-	-	161.72	-	-	629.74
Other financial liabilities	17	-	-	3.12	-	-	27.62	-	-	77.09
Total		-	-	2,870.84	-	-	2,895.96	-	-	1,963.82

35.2 Fair value of Financial asset and liabilities

Particular	INR in Million					
	March 31,2017		March 31,2016		April 1,2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets						
Investments in Mutual Fund	-	-	16.37	16.37	-	-
Total Financial Asset	-	-	16.37	16.37	-	-

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

c. Investment in units of mutual funds, which are not traded in active market, is determined using closing NAV.

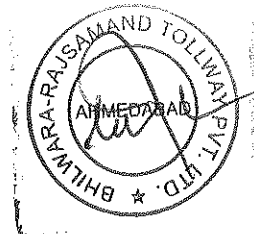
36 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2017, March 31, 2016 and April 1, 2015

Assets measured at fair value	Note No.	INR In Million		
		Fair value measurement using Significant observable inputs (Level 2)		
		March 31,2017	March 31,2016	April 1,2015
Fair value through profit & loss				
Investment in Mutual Fund	7	-	16.37	-

There have been no transfers between level 1 and level 2 during the years.



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

37 Financial Risk Management

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 and derivative financial instruments.

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.

The following assumption has been made in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2017, March 31, 2016 and April 1, 2015.

i Interest rate risk

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

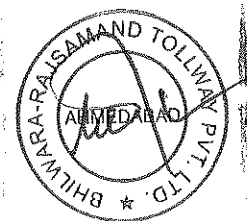
The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Sensitivity analysis	Impact on profit/ loss after	
	31.03.2017	31.03.2016
increase by 25 basis point	(7.08)	(6.44)
decrease by 25 basis point	7.08	6.44

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

(b) 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.



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

The following are the contractual maturities of financial liabilities

	(INR In Million)					
As at March 31, 2017	Total Amount	On Demand	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
As at March 31, 2017						
Rupee Term Loan & Overdraft From bank	2,764.00	-	2.53	7.83	297.82	2,455.81
Trade Payables	28.83	-	28.83	-	-	-
Short term Borrowings	96.85	96.85	-	-	-	-
Total	2,889.68	96.85	31.37	7.83	297.82	2,455.81
As at March 31, 2016						
Rupee Term Loan	2,600.10	-	-	2.38	136.94	2,460.78
Trade Payables	161.72	-	161.72	-	-	-
Total	2,761.82	-	161.72	2.38	136.94	2,460.78
As at April 01, 2015						
Rupee Term Loan	1,270.10	-	-	-	25.45	1,244.65
Trade Payables	629.74	-	629.74	-	-	-
Short term Borrowings	11.90	11.90	-	-	-	-
Total	1,911.74	11.90	629.74	-	25.45	1,244.65

(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 and other financial instruments.

Financial instruments and 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, 2017 is 41.23 INR million, March 31, 2016 is 162.08 INR million and April 1, 2015 is INR 582.34 million.

38 Collateral

The Company's all financial assets and other Assets have been pledged against Secured borrowings in order to fulfill the collateral requirement of the Lenders. The fair value of such financial assets disclosed in the note 35.

39 Capital Management

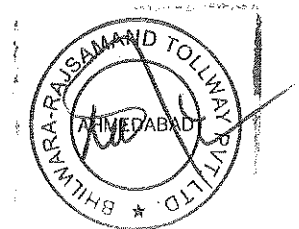
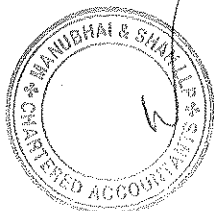
For the purpose of the Company's capital management, capital consist of issued equity capital, Other equity in form of Subordinate Debt and all other reserves attributable to the equity holders of the Company.

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 obtained additional sub-ordinate debts. The Company monitors capital using debt equity ratio which does not exceed 41:59, 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, 2017 INR In Million	March 31, 2016 INR In Million	April 1, 2015 INR In Million
Non Current Borrowings (refer note 13)	2,764.00	2,600.10	1,270.10
Current Borrowings (refer note 15)	96.85	130.00	11.90
Total Debts - A	2,860.85	2,730.10	1,282.00
Equity Share Capital (refer note 11)	173.40	173.40	173.40
Other Equity (refer note 12)	1159.60	1159.60	1159.60
Grant from NHAI	2664.00	2426.99	1224.15
Total Equity - B	3,997.00	3,759.99	2,557.15
Debt equity ratio (A/B)	0.72	0.73	0.50



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

40 Disclosure pursuant to Appendix - A to Ind AS 11 - " Service Concession Arrangements"

40.1 Description and classification of the arrangement

The Company has entered into Service Concession Agreement ('SCA') with National Highway Authority of India (NHAI) dated December 14, 2012 for the purpose of four laning of Rajsamand- Bhilwara section of NH-758 from KM 00 to KM 87.250 in the state of Rajasthan on Design, Built, Finance, Operate and Transfer (DBFOT) Toll basis. The Concession Period is of 30 years including construction period of 910 days. The Company obtained completion certificate on 4th June 2016 from the NHAI. As per the SCA, the company is entitled to charge toll to users of the public service, hence the service arrangement has been classified as Intangible Asset.

40.2 Significant Terms of the arrangements

40.2.1 Revision of Fees:

Fees shall be revised annually on April 01 subject to the provisions of the National Highways Fee (Determination of Rates and Collection) Rules, 2008.

40.2.2 Modification of Concession Period:

The Concession period shall be modified:

- a If Actual Average Traffic falls short of Target Traffic by more than 2.5%, the concession period shall be increased by 1.5% thereof for every 1% shortfall, but not more than 20% of the concession period.
- b If Actual Average Traffic exceeds Target Traffic by more than 2.5%, the concession period shall be reduced by 0.75% thereof for every 1% increase, but not more than 10% of the concession period.
- c If the average daily traffic exceeds the designed capacity of the project highway, the concession period shall be extended (not more than 5 years) in such a way so as to enable the concessionaire to yield Equity IRR of 16% p.a with an assumption of debt equity ratio of 70:30
- d If the additional tollway has been constructed, either the concession period shall be extended or compensation has been granted.
- e In case of material default or breach of agreement by NHAI which causes suspension of or reduction in collection of Fees, it shall pay to the Concessionaire, the compensation for consequence of such material default or extend the concession period.
- f If, due to change in the law, company suffers an increase in cost or reduction in net after-tax return or the other financial burden subject to the limits specified in the SCA, the SCA shall be modified in such a way that it nullifies such impact of cost increase, reduction in return or other financial burden. However if no such modification is done, Company may require by notice to the authority to pay an amount that would place the company in the same financial position that it would have enjoyed, had there been no such change in the law. Any dispute in the said procedure shall be settled in accordance with the Dispute Resolution Procedure. Opposite will be the case, in case of reduction in cost.

40.3 Rights of the Company to use Project Highway

- a 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.
- b Right of Way, access and licence to the Site.

40.4 Obligation of the Company

- a The company 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 NH-758 from KM 00 to KM 87.250 and all Project asset, and its subsequent development and augmentation in accordance with the SCA.
- b The company is under obligation to carry out the routine and periodic maintenance of Project Highway as per Schedule K of the SCA.

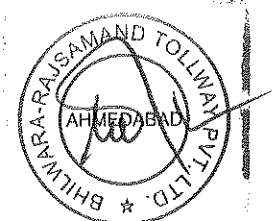
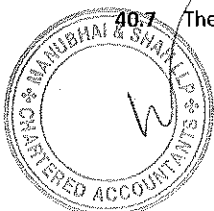
40.5 Details of any assets to be given or taken at the end of concession period

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

40.6 Details of Termination

SCA can be terminated on account of default of the company or NHAI in the circumstances as specified under article 37 of the SCA.

40.7 There has been no change in the concession arrangement during the year.



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

41 First time adoption of IND AS

These financial statements, for the year ended 31 March, 2017 are the first Ind AS financial statements, the company has prepared in accordance with Ind AS. For periods upto and including the year ended 31 March 2016, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the companies Act, 2013 read with paragraph 7 of the Companies (Account) Rules, 2014 (Previous GAAP).

Accordingly, The company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March, 2017 together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company 's opening balance sheet as prepared as at 1st April, 2015, the company's date of transition to Ind AS. This note explains the principle adjustments made by the company in restating its Previous GAAP financial statements including the balance sheet as at 1st April 2015 , and the previously published Previous GAAP financial statements as at and for the year ended March 31, 2016.

Ind AS mandatory exceptions

a. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP, unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in the conformity with previous GAAP . The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2015, the date of transition to Ind AS and as of March 31, 2016.

b. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

41.1 Reconciliation between Previous GAAP and IND AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS:

a. Reconciliation of equity as at March 31, 2016 & April 1, 2015

Particulars	March 31, 2016	April 01, 2015
Total Equity as per Previous GAAP	2,598.05	1,395.26
Adjustments as per Ind AS		
Equity Component of Financial Instrument	1,159.60	1,159.60
Capital Reserve (Grant)	(2,426.99)	(1,224.15)
Total Ind AS Adjustments	(1,267.39)	(64.55)
Total Equity as per Ind AS	1,330.66	1,330.71

b. Reconciliation of Total Comprehensive Income for the year ended March 31, 2016

Particulars	2015 - 2016
Profit after tax as per Previous GAAP	(0.06)
Adjustments as per Ind AS	
Recognition of Construction Revenue including Government Grant	3,121.95
Recognition of Construction related Expense	(3,121.95)
Total Ind AS Adjustments	-
Profit after tax as per Ind AS	(0.06)
Total Comprehensive Income as per Ind AS	(0.06)

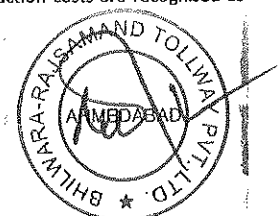
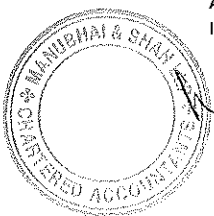
c. Impact of Ind AS adoption on statement of cash flows for the year ended March 31, 2016

Particulars	Previous GAAP	Adjustments	Ind AS
Net Cash Flows from Operating Activities	(0.05)	726.66	726.61
Net Cash Flows from investing Activities	(2846.41)	910.89	(1935.52)
Net Cash Flows from Financing Activities	2846.58	(1637.56)	1209.02
Net increase / (Decrease) in cash and cash equivalents	0.12	0.00	0.12
Cash and cash equivalents as at April 01, 2015	5.25	-	5.25
Cash and cash equivalents as at March 31, 2016	5.37	0.00	5.37

41.2 Footnotes to the reconciliation of profit and loss for the year ended March 31, 2016 and equity as at April 01, 2016 and March 2016:

Remeasurement of Intangible Asset under Service Concession Arrangement :

The construction revenue and related construction cost of assets developed under concession arrangements with NHAI are recognised as income and expenditure and concession rights capitalised as intangible assets as per the Appendix A of Ind AS 11 'Service Concession Arrangement' on specific conditions being met in terms of accounting standard. Under Indian GAAP, construction costs are recognised as Intangible rights under concession arrangement.



Bhilwara Rajsamand Tollway Private Limited
Notes to Financial Statements for the year ended March 31, 2017

Finance cost recognition on account of amortised cost of financial liability:

Under Previous GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss / capitalized in the Intangible assets. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

Discounting / unwinding of Liability / Provision:

Under the previous GAAP, the provision of Major Maintenance expense was recognised on undiscounted basis. As required under Ind AS, the same have been recognised on discounted basis.

Equity Component of Financial Instrument

Under previous GAAP, Sub-debts loan received from promoters as promoter's contributions disclosed under long term borrowings. Under Ind AS, the Interest free sub-debts loan as promoter's contributions considered as equity component of compound financial instrument and classified as other equity based on terms of contract.

42 Standards issued but not yet effective

The standard issued, but not yet effective up to the date of issuance of the Company's financial statements is disclosed below. The Company intends to adopt this standard when it becomes effective.

Amendment to Ind AS 7 'Statement of cash flows':

The Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017 in March 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

This standard will come into force from accounting period commencing on or after 1 April 2017. The Company will adopt the new standard on the required effective date. The company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

43 Disclosure of Specified Bank Notes (SBNs):-

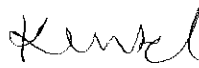
During the year company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particular	Specified Bank Notes (SBNs)*	(Amount in INR)	
		Other Denomination Notes & coins	Total
Closing Cash in hand as on November 8, 2016	1,027,000	728,138	1,755,138
Add: Permitted Receipt	9,640,500	18,810,836	28,451,336
Less: Permitted Payments	-	105,536	105,536
Less: Amount deposited in Banks	10,667,500	16,889,098	27,556,598
Closing Cash in hand as on December 30, 2016	-	2,544,340	2,544,340

* For the purposes of this clause, the term 'Specified Bank Notes' has the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

44 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 Manubhai & Shah LLP
 Chartered Accountants
 ICAI Firm Registration No. 106041W/W100136



 K. C. Patel
 Partner
 Membership No.30083

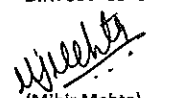


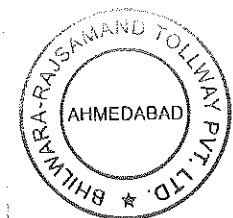
Place: Ahmedabad
 Date :15/05/2017

For & On behalf of the Board of Directors of
 Bhilwara-Rajsamand Tollway Private Limited


 Shashin Patel
 Director
 DIN: 00048328


 Gunvantray Trivedi
 Director
 DIN:06365699


 (Mihir Mehta)
 Company Secretary
 M. No. - A29648



Place: Ahmedabad
 Date :15/05/2017