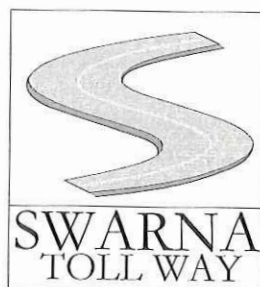


SWARNA TOLLWAY PRIVATE LIMITED

SIXTEENTH ANNUAL REPORT

2016-2017



SWARNA TOLLWAY PRIVATE LIMITED

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

BOARD OF DIRECTORS

Mr. Naren Babu Karanam	-	Director
Mr. Harjeet Singh Daya Singh	-	Director
Mr. Deep Gupta	-	Director
Mrs. Shubhangini Subramaniam	-	Director

AUDITORS

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



SWARNA TOLLWAY PVT. LTD.

NOTICE

Notice is hereby given that the 16th Annual General Meeting of Swarna Tollway Private Limited will be held at shorter notice on Tuesday the 27th June, 2017 at 11.00 a.m. at the Registered Office of the Company situated to 4th Floor, 'C' Block, TSR Towers, 6-3-1090, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana, India, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2017 and the Reports of the Directors and Auditors thereon.
2. To confirm the Interim Dividend paid to Equity Shareholders during the Year 2016-2017 and declare the Final Dividend for the year ended 31st March, 2017;

“RESOLVED THAT the Interim Dividend of Rs.1.185/- per equity share declared by the Board of Directors of the Company on 14th December, 2016, on 25,00,00,000 Equity Shares of Rs.10/- each amounting to Rs. 35,65,59,529/- (inclusive of Dividend Distribution Tax amounting to Rs. 6,03,09,529/-) during the year 2016-2017 and paid to the shareholders on 19th December, 2016, be and is hereby confirmed.”

“FURTHER RESOLVED THAT a Final Dividend of Rs. 2.09 per equity share as recommended by the Board of Directors, on 25,00,00,000 Equity Shares of Rs.10/- each amounting to Rs. 62,82,66,917 /- (inclusive of Dividend Distribution Tax amounting to Rs. 10,62,66,917/-), for the year ended 31st March, 2017, be and is hereby approved.”

3. To appoint a Director in place of Mr. Naren Babu Karanam (DIN No. 03295872), who retires by rotation and being eligible, offer himself for reappointment.
4. To ratify the appointment of M/s. M.K. Dandeker & Co., Chartered Accountants, Chennai (Firm Registration No. 000679S) Statutory Auditors of the Company.

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

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

SPECIAL BUSINESS

5. Appointment of Mrs. Shubhangini Subramaniam (DIN No. 07589976), as Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mrs. Shubhangini Subramaniam (holding DIN No. 07589976) be and is hereby appointed as Director of the Company.”

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

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, and as amended from time to time, and such other permissions as may be necessary, the remuneration of Rs. 25,000/- (Rupees Twenty Five Thousand Only) with applicable Service Tax plus reimbursement of out of pocket expenses at actual plus applicable service tax, to M/s. N.V. S. Kapardhi & Associates, who were appointed by the Board of Directors of the Company, as “Cost Auditors” to conduct the audit of the cost records maintained by the Company for Financial Year ending 31st March, 2018, be and is hereby ratified and approved.”

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



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

Place: Hyderabad
Date : 20.06.2017

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting in respect of item Nos.5 and 6 are annexed hereto and forms part of notice.
2. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share Capital of Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the Meeting.
3. A Proxy Form is annexed to this notice. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
4. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
5. The Annual General Meeting is being held at Shorter Notice, subject to consent from the shareholders as required under the Companies Act, 2013 read with relevant Rules..
6. Route Map to the Venue of the meeting is annexed hereto to this Notice.
7. The Notice of AGM, Annual Report and Proxy Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s),

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

ITEM NO. 5.

Mrs. Shubhangini Subramaniam, (holding DIN No. 07589976) was appointed as an Additional Director of the Company w.e.f 18th August, 2016 and her tenure of office as Director would expire at the ensuing Annual General Meeting. The Board proposes to appoint Mrs. Shubhangini Subramaniam to the office of Director of the Company.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, any such proposal needs to be approved by the members in their General Meeting.

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

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

ITEM NO. 6.

The Board of Directors of your Company has appointed M/s. N.V.S. Kapardhi & Associates, Cost Accountants, Hyderabad as "Cost Auditors" to conduct the audit of the cost records maintained by the Company for Financial Year ending March 31, 2018 at a remuneration of Rs. 25,000/-, which shall be exclusive of applicable taxes and out of pocket expenses, if any.

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

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

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

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



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

Place: Hyderabad
Date : 20.06.2017

Form No. MGT-11

Proxy form

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

CIN:

Name of the company:

Registered office:

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

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

1. Name:

Address:

E-mail Id:

Signature:....., or failing him

2. Name:

Address:

E-mail Id:

Signature:....., or failing him

3. Name:

Address:

E-mail Id:

Signature:.....

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

Resolution No. 1.....

2.....

3.....

4.....

5.....

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

Signature of shareholder

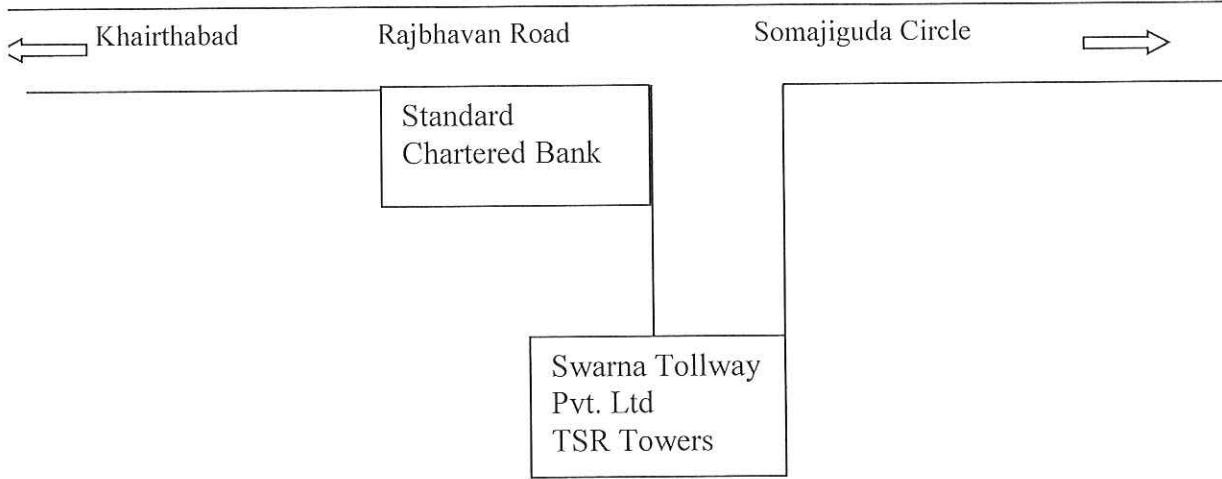
Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Affix
Revenue
Stamp

Route Map

BATA
showroom



DIRECTORS' REPORT

To
The Shareholders
Swarna Tollway Private Limited

Your Directors have pleasure in presenting the 16th Annual Report together with Audited Financial Statements for the accounting period ended 31st March, 2017.

Financial Highlights:

The Performance of the Company for the financial year ended 31st March, 2017 is summarized below:

(Rs. in Crs.)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Income from Operations	160.22	164.99
Other Income	12.15	8.44
Maintenance, Operating & Administration Expenses	34.84	42.53
Profit/ Loss before Depreciation, Interest and Tax	137.53	130.90
Finance Charges	16.75	22.34
Depreciation	21.38	20.30
Tax - (Min. Alternate Tax)	21.22	18.98
MAT Credit Entitlement	(21.22)	(18.98)
Net Profit / (Loss) carried to Balance Sheet	99.40	88.26

State Of Company's Affairs:

During the year under review, the Toll Collections and Traffic has decreased by 2.89% and 2.22 % respectively against previous year (YOY). The decrease in traffic and revenue during financial year 2016-2017 was mainly due to suspension of toll at toll plazas by NHAI throughout India from 9th November, 2016 till midnight of 2nd December, 2016 to overcome the shortage of new currency arising out of Demonetization. Further the decrease in traffic and revenue is also attributable to traffic diversion at Keesara in NH- 9 (due to construction of Flyover at Kanakadurgamma Temple at Vijayawada) from November, 2015 to October, 2016. Your Company has recorded Profit of Rs.99.40 Crores against a profit of Rs. 88.26 Crores recorded in last financial year.

Your Company has submitted its claim for loss of revenue arising due to suspension of Toll during Demonetization and traffic diversion at Keesara and the same are under review with NHAI. Your Company is also in the process to commence permanent restoration works at NH-5 that were damaged due to floods during the last year.

Further, during the year under review, NHAI has sought consent of your Company on commencement of additional tolling at Nellore By-Pass. Your Company had sought certain clarifications from NHAI before execution of Supplementary Agreement and commencement of tolling at Nellore By-Pass.

It is proposed to transfer an amount of Rs. 21,82,22,500/- to Debenture Redemption Reserve for the Financial Year ended 31st March, 2017.

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

- Acquisition of an immovable property admeasuring 4.49 acres at Bhudanam village, Nellore Dist, from IJM India Infastrucutre Ltd., a related Party.
- Conversion of 2,00,00,000 (Two Crores) 9 % Compulsory Convertible Cummulative Preference Shares of Rs. 10/- each into equal number Equity Shares of Rs. 10/- each, in compliance of RBI guidelines and corresponding increase in Authorised Share Capital from the existing Rs.270 Crores to Rs.290 Crores.

Capital Structure:

There is no change in the Share capital of the Company during the year under review. However, as mentioned supra, the Capital structure of your Company stands revised as follows as on date of this Report:

Share Capital

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

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

** Since the 9 % Compulsory Convertible Cummulative Preference share capital of Rs. 20 Crores is converted to Equity Shares w.e.f. 20th June, 2017.

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

hearing. In relation to disallowance of depreciation for the Assessment Year 2011-12, the Appeal posted before the Hon'ble Income Tax Appellate Tribunal, Hyderabad was heard and the said Appeal was dismissed by Hon'ble Income Tax Appellate Tribunal, Hyderabad.

Nature of Business :

There was no change in the nature of Business of your Company during the Financial Year ended 31st March, 2017.

Dividend:

During the year under review, your Company has paid arrears of Dividend on 9% Compulsory Convertible Cumulative Preference Share pertaining to financial years 2014-2015 & 2015-2016 aggregating Rs. 4,33,28,753/- (inclusive of Dividend Distribution Tax amounting to Rs. 73,28,753/-).

Further, your Company has also paid Interim Dividend of Rs. 1.185 per equity share on 25,00,00,000 equity shares of Rs. 10/- each, to Equity Shares holders amounting to Rs. 35,65,59,529/- (inclusive of Dividend Distribution Tax amounting to Rs. 6,03,09,529/-). The matter is proposed for the confirmation of Shareholders at the ensuing Annual General Meeting.

Your Company had also paid arrears of Dividend on 9% Compulsory Convertible Cumulative Preference Share pertaining to financial year 2016-2017 aggregating Rs. 2,16,64,376/- (inclusive of Dividend Distribution Tax amounting to Rs. 36,64,376/-).

Further, your Board of Directors have recommended a Final Dividend of Rs. 2.09/- per equity share on 25,00,00,000 equity shares of Rs. 10/- each, which is subject to the approval of shareholders at the ensuing Annual General Meeting. If the same is approved, it would entail an outflow of Rs. 62,82,66,917/- (inclusive of Dividend Distribution Tax amounting Rs. 10,62,66,917/-).

Subsidiaries / Joint Ventures Or Associate Companies

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

Further, during the Financial Year ended 31st March, 2017 no Company became a Subsidiary or a Joint Venture or an Associate of your Company.

Fixed Deposits

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

- (a) accepted during the year; - Nil
- (b) remained unpaid or unclaimed as at the end of the year; - Nil
- (c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- Nil
 - (i) at the beginning of the year; Nil
 - (ii) maximum during the year; Nil

(iii) at the end of the year; Nil

Directors / Key Managerial Personnel:

Mr. Naren Babu Karanam, Mr. Harjeet Singh Daya Singh, and Mr. Deep Gupta were appointed as Directors of the Company at the previous Annual General Meeting held on 18.08.2016. Pursuant to Section 152 of the Companies Act, 2013, Mr. Naren Babu Karanam, Director is liable to retire by rotation and being eligible offers himself for re- appointment at the Annual General Meeting.

Further, consequent upon the resignation of Hardik Bhadrak Shah (w.e.f 20.06.2016), Mrs. Shubhangini Subramaniam was appointed as an Additional Director of the Company w.e.f 18.8.2016 who would hold her office as such till the ensuing Annual General Meeting.

Pursuant to Section 152 of the Companies Act, 2013 it is proposed to appoint Mrs. Shubhangini Subramaniam, as Director of the Company. Corresponding resolution in the said regard forms part of the Notice to the ensuing Annual General Meeting for your consideration and approval.

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

Auditors:

Statutory Auditors:

As the Members are aware, at the 15th Annual General Meeting (AGM) held on 18.08.2016, M/s. M.K. Dandekar & Co. Chartered Accountants, Chennai (Firm Registration No. 000679S), were appointed as Statutory Auditors of the Company for a period of 5 years, to hold the office as such till the conclusion of the 20th AGM of the Company. In terms of the provisions of Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every AGM. Accordingly, the appointment of M/s. M.K. Dandekar & Co., Chartered Accountants, as the Statutory Auditors of the Company, is placed for your ratification. In this regard, the Company has received a certificate from the auditors to the effect that if the said firm is reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

Cost Auditor:

Your company, in compliance of Section 148 of the Companies Act, 2013, has appointed M/s. N.V.S. Kapardhi & Associates, Cost Accountants as the Cost Auditors of the Company for F.Y. 2017-18. Further a resolution forms part of the Notice to the ensuing 16th Annual General Meeting for ratification of his remuneration.

Internal Auditor :

Your Company during F.Y 2016-2017 had appointed M/s Ernst & Young, LLP, as Internal Auditors. M/s. Ernst & Young, LLP, had conducted internal audit during the year and submitted their internal audit report to the Company. Your Company had re-appointed M/s Ernst & Young, LLP, as Internal Auditors for F.Y. 2017-2018.

Internal Financial Control:

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

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

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

A. Conservation of Energy :

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

B. Technology Absorption: Not Applicable

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

C. Foreign Exchange Earnings and Outgo during the year

- (i) Foreign Exchange Earned : Nil
- (ii) Foreign Exchange Outgo : Rs. 7,28,299/-

Directors' Responsibility Statement

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

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed and that there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of

- the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period ;
- (iii) they had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - (iv) they had prepared the annual accounts on a going concern basis.
 - (v) proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively.
 - (vi) they had devised proper systems that ensure compliance with the provisions of all the applicable laws and that such systems were adequate and operating effectively.

Extract Of Annual Return:

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

Number of Board Meetings:

The Board of Directors met 5 (Five) times in the financial year 2016-2017. The details of the dates of meeting and Directors attendance are as below:

S. N o.	Date of Board Meeting	Directors Attendance				
		Mr. Naren Babu Karanam	Mr. Hardik Bhadrak Shah (appointed w.e.f 28.10.2015 and Resigned w.e.f 20 th June 2016)	Mr. Harjeet Singh Daya Singh	Mr. Deep Gupta	Mrs. Shubhangini Subramaniam (appointed w.e.f 18.08.2016)
1	04.04.2016	√	√	√	√	NA.
2	20.06.2016	√	NA.	√	---	NA.
3	18.08.2016	√	NA.	√	---	√
4	14.12.2016	√	NA.	√	---	√
5	30.03.2017	√	NA.	√	√	√

*N.A. – since not a Director as on that date.

Dematerialization of shares:

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

Related Party Transactions:

During the Financial year under review, the Company has not entered into any fresh contracts or agreements with any of its related parties. However, there was a transaction with one of its related parties during the year under review which was conducted in pursuance of contract entered into by the Company during the previous financial year(s), which had been entered in the ordinary course of business.

The details of the said related party transaction are provided in **Form No. AOC – 2** which is appended as **Annexure –II** hereto.

Further, as mentioned elsewhere in this Report, your Company has acquired an immovable property admeasuring 4.49 acres at Bhudanam village, Nellore Dist, from IJM India Infastrucutre Ltd., a related Party. Since , the said transaction has taken place subsequent to the close of Financial Year, the same is not included in the Form AOC – 2 appended hereto.

Corporate Social Responsibility:

During the year under review, subsequent to resignation of Mr. Hardik Bhadrak Shah, your Company has reconstituted its CSR Committee with Mr. Naren Babu Karanam as Chairman and Mr. Harjeet Singh Daya Singh as its Members. As on 31st March, 2017, your Company has incurred an amount of Rs.75,37,568/- as a part of CSR activities for the Financial Year 2016-2017, as against the amount of Rs. 63,69,512/- computed as per Section 135 of the Companies Act, 2013. The Company has undertaken CSR activities for Promoting Education, Promoting Health Care, Sanitation, Rural Developmentin, Safety Awareness and making available Safe Drinking Water in its project stretch. Consistent with the adopted CSR Policy, the Company is exploring to undertake additional CSR activittes for a wider coverage in future. Detailed information in relation to above stated activities under Corporate Social Responsibility are stated in the *Annexure –III* enclosed with this report. The details of CSR Meeting held during the year under review are as follows:-

S.No.	Date of the Meeting	CSR Committee Meeting Attendance	
		Mr. Naren Babu Karanam	Mr. Harjeet Singh Daya Singh
1	3 rd February, 2017	√	√

Vigil Mechanism:

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

Board Committees

During the year under review, you Company, re-constituted the Internal Complaints Committee in compliance with the provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and filed the relevant returns with the Authority. You may also note that during the year under review, there were no cases reported to the Committee.

Particulars of Employees:

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

Loans, Guarantees or Investments:

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

Risk management Policy:

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

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

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

General:

During the F.Y. ended 31.03.2017, no orders were passed by the regulators or courts or tribunals impacting the going concern status and companies operations in future.

Your directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Work Place (Prevention, Prohibition And Redressal) Act, 2013.

Acknowledgementss

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

For and on behalf of the Board of Directors



Naren Babu Karanam
Director
DIN No. 03295872



Shubhangini Subramaniam
Director
DIN No 07589976

Place: - Hyderabad
Date : - 20.06.2017

Annexure I to Director Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2017

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

i) Category-wise Share Holding

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

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

*The above 27,00,00,000 shares consist of the following:

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

(ii) *Shareholding of Promoters*

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

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

There is no change in Promoters' Shareholding during the year.

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the
01	M/s CIDB Inventures Sdn. Bhd. At the beginning of the Year	01.04.2016		75000000 Equity 60000000 Pref	30%	75000000 Equity 60000000 Pref	30%
	Changes during the Year	NIL	NIL	NIL	NIL	NIL	NIL
	At the end of the Year	31.03.2017		75000000 Equity 60000000 Pref	30%	75000000 Equity 60000000 Pref	30%
02.	M/s MAIF Investments India 3 Pte. Ltd.						
	At the beginning of the Year	01.04.2016		175000000 Equity 140000000 Pref.	70%	175000000 Equity 140000000 Pref.	70%
	Changes during the Year	NIL	NIL	NIL	NIL	NIL	NIL
	At the end of the Year	31.03.2017		175000000 Equity 140000000 Pref.	70%	175000000 Equity 140000000 Pref.	70%

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top10 Shareholders				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

(v) Shareholding of Directors and Key Managerial Personnel:

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

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	172,60,32,208	---	---	172,60,32,208
ii) Interest due but not paid	---	---	---	---
iii) Interest accrued but not due	---	---	---	---
Total (i+ ii+ iii)	172,60,32,208	---	---	172,60,32,208
Change in Indebtedness during the financial year				
· Addition	---	---	---	---
· Reduction	44,65,17,137	---	---	44,65,17,137
Net Change	44,65,17,137	---	---	44,65,17,137
Indebtedness at the end of the financial year				
i) Principal Amount	127,95,15,071	---	---	127,95,15,071
ii) Interest due but not paid	---	---	---	---
iii) Interest accrued but not due	2,00,597	---	---	2,00,597
Total (i + ii+ iii)	127,97,15,668	---	---	127,97,15,668

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

Total(A)	NIL	NIL	NIL	NIL	NIL
Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL

B. Remuneration to other directors:

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

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 (b)Value of perquisites u/s 17(2) Income-tax Act, 1961 (c)Profits in lieu of salary under section 17(3)Income-tax Act, 1961	NIL	Rs. 14,55,060 per annum	NIL	Rs. 14,55,060 per annum
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit -others ,specify...	NIL	NIL	NIL	NIL

5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	Rs. 14,55,060 per annum	NIL	Rs. 14,55,060 per annum

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

Place: - Hyderabad
Date : - 20.06.2017


Naren Babu Karanam
Director
DIN No. 03295872


Shubhangini Subramaniam
Director
DIN No 07589976

Annexure II to Director Report

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/s. MIRA India Management Services Pvt. Limited
	Nature of contracts/arrangements/transaction	To avail Management & Consultancy services from M/s. MIRA India Management Services Pvt. Ltd.
	Duration of the contracts/arrangements/transaction	Continuing till terminated.
	Salient terms of the contracts or arrangements or transaction including the value, if any	Service Agreement was executed on 7 th December, 2015. for availing consultancy services from M/s. MIRA India Management Services Pvt. Ltd.
	Justification for entering into such contracts or arrangements or transactions'	Subsequent to change in Management of the Company, MAIF incorporated MIMSPL with professionals with rich experience to manage its toll assets in the Group. For better synergies and effective control over operations and maintenance, the Management & Consultancy services were awarded to MIMSPL
	Date of approval by the Board	28.10.2015
	Amount paid as advances, if any	NIL
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable. Since the value of the contract is within the limits specified under Rule 15 (3) of Companies (Meetings of Board and its powers) Rules, 2013

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

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

For and on behalf of the Board of Directors

Place: - Hyderabad
Date : - 29.06.2017


Naren Babu Karanam
Director
DIN No. 03295872


Shubhangini Subramaniam
Director
DIN No 07589976

Annexure III to Director Report

Details of Corporate Social Responsibility (CSR)

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

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

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

1. Mr. Naren Babu Karanam - Chairman

2. Mr. Harjeet Singh Daya Singh – Member

3. Average Profit before tax of the company for last three financial years: - Rs. 31,84,75,586/-

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) Rs 63,69,512/-

5. Details of CSR spent during the financial year – Rs. 75,37,568/-

(a) Total amount to be spent for the financial year; Rs. 63,69,512/-

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise in Rupees	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads in Rupees	Cumulative expenditure upto to the reporting period in Rupees	Amount spent: Direct or through implementing agency*
1	Construction of Class and Library rooms, Compound Wall and supply of Benches, Black Board and Water	Promoting Education	Construction of Class and Library rooms, Compound Wall and supply of Benches, Black Board and Water Storage tank at School in project stretch	65,57,170	36,95,846	36,95,846	Spent Directly

	Storage tanks						
2	Setting up of eye Camp	Promoting Health Care	Setting up of eye Camp at Buji Buji Nellore & Sullurpeta Village	96,500	108,234	108,234	Spent Directly
3	Bore, Hand Pump & R.O. Plant	Making available safe drinking water	Installation of Bore, Hand Pump, RO Plant and storage tanks at villages in project stretch.	7,60,000	7,60,360	7,60,360	Spent Directly
4	Installation of Bio toilets and toilets at schools.	Sanitation	Bio toilets installed and construction of Toilets in schools and installation of Dust bins	2,75,000	2,78,656	2,78,656	Spent Directly
5	Installation of Street Lighting, water storage tanks and construction of Community Hall	Rural Development	Installation of Street Lighting, water storage tanks and construction of Community Hall	23,92,000	26,77,472	26,77,472	Spent Directly
6	Breath Analysers & Speed Guns	Safety awareness	Affixing of Vinyl Stickers displaying police Station jurisdictions, Breath Analysers and Speed Guns	2,75,000	17,000	17,000	Spent Directly
	TOTAL			1,03,55,670	75,37,568	75,37,568	

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.:- NIL.
7. We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

For and on behalf of the Board of Directors



Naren Babu Karanam
Director
DIN No. 03295872



Shubhangini Subramaniam
Director
DIN No 07589976

Place: -Hyderabad
Date : - 20.06.2017

M.K. DANDEKER & CO.,

Chartered Accountants

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SWARNA TOLLWAY PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Swarna Tollway Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

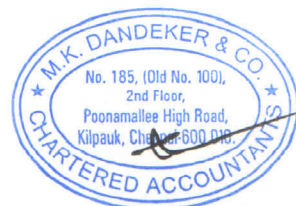
This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 financial statements.

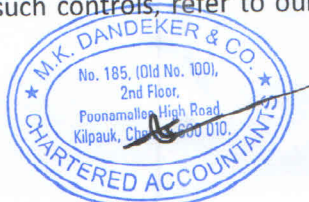
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

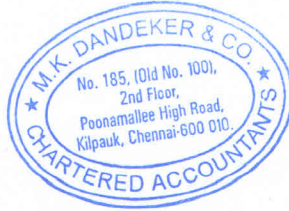
1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the said order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.
 - (e) On the basis of the written representations received from the directors as on 31st March 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 B".



M.K.Dandeker & Co.
Chartered Accountants

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of Our information and according to the explanations given to us:
- The Company does not have any pending litigations as at March 31, 2017 which would impact its financial position.
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 34 to the financial statements.

Date: June 20, 2017
Place: Hyderabad



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

S. Poosaidurai

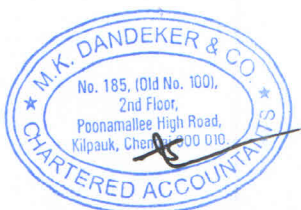
Partner

Chartered Accountants

Membership No. 223754

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

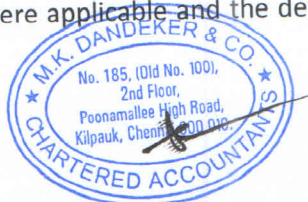
1. a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- b. The Fixed Assets have been physically verified by the Management at regular Intervals and no material discrepancies were noticed on such verification.
- c. The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



- b. According to the information and explanation given to us, the Company has no statutory dues which have not been deposited on account of disputes. The particulars of dues of Income Tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

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

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

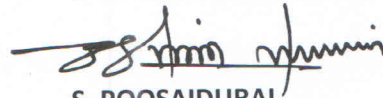


M.K.Dandeker & Co.
Chartered Accountants

have been disclosed in the financial statements as required by the applicable accounting standards.

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

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


S. POOSAIDURAI

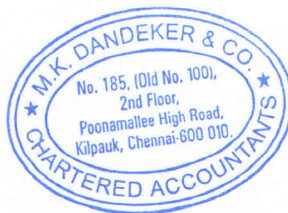
Partner

Chartered Accountants

Membership No.223754

Date: June 20, 2017

Place: Hyderabad



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

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

We have audited the internal financial controls over financial reporting of **Swarna Tollway Private Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

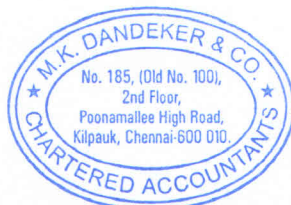
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Date: June 20, 2017
Place: Hyderabad



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

S. Poosaidurai

Partner

Chartered Accountants
Membership No.223754

SWARNA TOLLWAY PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2017

(Amount in Rupees)

Particulars	Note	March 31, 2017	March 31, 2016
Equity and Liabilities			
Shareholders' Funds			
(a) Share Capital	3	2,70,00,00,000	2,70,00,00,000
(b) Reserves & Surplus	4	2,74,77,61,654	2,17,52,57,918
Non-current liabilities			
(a) Long-term borrowings	5	83,29,87,927	1,27,95,15,064
(b) Long-term provisions	6	80,94,301	57,62,039
Current liabilities			
(a) Trade payables	7		
Total outstanding dues of micro enterprises and small enterprises and		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		10,20,40,419	12,62,57,919
(b) Other current liabilities	8	45,38,86,930	46,11,94,308
(c) Short-term provisions	9	2,20,98,746	7,93,59,160
		6,86,68,69,977	6,82,73,46,408
Assets			
Non-current assets			
(a) Fixed Assets			
(i) Tangible Assets	10	4,85,16,882	4,94,18,496
(ii) Intangible Assets	11	5,12,57,74,828	5,33,17,30,639
(b) Long-term loans and advances	12	41,90,28,017	20,22,88,245
(c) Other non-current assets	13	10,873	1,80,24,634
Current Assets			
(a) Current Investments	14	58,34,32,204	-
(b) Cash and Bank balances	15	66,69,99,018	1,19,19,72,059
(c) Short-term loans and advances	16	91,94,362	59,70,014
(d) Other Current Assets	17	1,39,13,793	2,79,42,321
		6,86,68,69,977	6,82,73,46,408
Summary of Significant accounting policies	2		

The accompanying notes are an integral part of these financial statements
This is the balance sheet referred to in our report of even date.


For and on behalf of the Board of Directors

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


(NAREN BABU KARANAM)
Director
Din - 03295872


(SHUBHANGINI SUBRAMANIAM)
Director
Din - 07589976

S.T. SAILURAI
Partner
Membership No.: 223754


P.K.RAMAN SAI
Company Secretary

Place: Hyderabad
Date: June 20, 2017

SWARNA TOLLWAY PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2017

(Amount in Rupees)

Particulars	Note	March 31, 2017	March 31, 2016
I. Revenue from Operations- Toll Fee		1,60,22,47,362	1,64,99,31,193
II. Other Income	18	12,14,16,145	8,43,99,955
III. Total Revenue		1,72,36,63,507	1,73,43,31,148
IV. Expenses			
a) Maintenance expenses	19	13,45,62,405	25,37,49,005
b) Employee benefits expenses	20	6,39,47,417	6,10,33,183
c) Administration and Other expenses	21	14,98,62,667	11,04,97,186
d) Finance costs	22	16,74,52,152	22,34,27,600
e) Depreciation and Amortisation expenses	23	21,37,82,472	20,29,88,064
Total Expenses		72,96,07,113	85,16,95,038
V. Profit before Taxes (III-IV)		99,40,56,394	88,26,36,110
VI. Tax expenses:			
Current tax (Minimum Alternate Tax)		21,22,00,000	18,98,00,000
Less. MAT Credit Entitlement		(21,22,00,000)	(18,98,00,000)
VII. Profit After Tax (V-VI)		99,40,56,394	88,26,36,110
Earnings/(Loss) per share (Rs. Per equity share of Rs.10 each)	24		
Basic Earnings/(Loss) per share		3.89	3.44
Diluted Earnings/(Loss) per share		3.68	3.27
Summary of significant accounting policies	2		

The accompanying notes are an integral part of these financial statements
This is the balance sheet referred to in our report of even date.

For and on behalf of the Board of Directors

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


(NAREN BABU KARANAM)
Director
Din - 03295872


(SHUBHANGINI SUBRAMANIAM)
Director
Din - 07589976

S.POOSAIDURAI
Partner
Membership No.: 223754


P.K.RAMAN SAI
Company Secretary

Place: Hyderabad
Date: June 20, 2017

SWARNA TOLLWAY PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2017

Sl. No	Particulars	March 31, 2017	March 31, 2016
A	Cash Flow from operating activities		
	Profit before tax (excluding extraordinary items)	99,40,56,394	88,26,36,110
	Adjustments for :		
	Depreciation and Amortisation	21,37,82,472	20,29,88,064
	Interest Expenses	16,74,52,152	22,34,27,600
	Interest Income	(6,94,23,385)	(8,06,47,879)
	(Profit) / Loss on sale of assets (net)	(2,76,251)	(2,76,500)
	Operating profit before working capital changes	1,30,55,91,382	1,22,81,27,395
	Adjustments For :		
	(Increase) / Decrease in Loans and Advances	21,60,20,398	(2,71,29,795)
	Increase / (Decrease) in Trade payables and Other liabilities	(3,15,34,878)	(19,30,48,589)
	Increase / (Decrease) in Provisions	(7,65,92,528)	57,97,467
	Cash Flow from operations	1,41,34,84,374	1,01,37,46,478
	Income taxes (paid)/refunded	(40,62,74,813)	(10,33,12,356)
	Net cash Flow from operating activities	1,00,72,09,561	91,04,34,122
B	Cash flow from Investing activities :		
	Investments in Mutual Funds	(1,20,50,32,204)	-
	Disposal of Mutual Funds	62,16,00,000	-
	Purchase of fixed assets	(73,56,796)	(97,79,586)
	Investments in Fixed deposits	(85,07,11,603)	(1,30,54,36,628)
	Withdrawal of Fixed Deposits	1,26,72,10,139	1,31,74,56,428
	Proceeds from Sale of fixed assets	7,08,000	7,58,599
	Interest received	7,17,55,969	7,86,26,336
	Net cash Flow (used in) / from investing activities	(10,18,26,495)	8,16,25,149
C	Cash flow from financing activities		
	Interim Equity Dividend paid	(29,62,50,000)	-
	Preference Dividend Paid	(3,60,00,000)	-
	Dividend Distribution Tax	(6,76,38,282)	-
	Repayment of Borrowings	(44,65,17,137)	(44,65,17,136)
	Interest paid	(16,74,52,152)	(21,67,71,364)
	Net cash Flow (used in) / from financing activities	(1,01,38,57,571)	(66,32,88,500)
	Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(10,84,74,505)	32,87,70,771
	Cash and cash equivalents as at the beginning of the year	46,70,43,841	13,82,73,070
	Cash and cash equivalents as at end of the year	35,85,69,336	46,70,43,841

NOTES

- The above Cash Flow statement has been prepared under the Indirect Method as set out in the Accounting Standard 3; "Cash Flow Statement" as per Companies (Accounting Standard) Rules, 2006.
- Previous year's figures have been regrouped/reclassified wherever applicable

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board of Directors

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



S.POOSAIDURAI
Partner
Membership No.: 223754


(NAREN BABU KARANAM)
Director
Din - 03295872


(SHUBHANGINI SUBRAMANIAM)
Director
Din - 07589976


P.K.RAMAN SAI
Company Secretary

Place: Hyderabad
Date: June 20, 2017

SWARNA TOLLWAY PRIVATE LIMITED

Notes to Financial Statements

Note 1 – Corporate Information

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

Note 2- Summary of Significant Accounting Policies

a. Basis of preparation

The financial statements have been prepared on the basis of going concern, under the historic cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013.

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

b. Accounting Estimates

The preparation of the financial statements in conformity with the generally Accepted Accounting principles (GAAP) requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities as at the date of financial statements, and the reported amounts of income and expenses during the reported year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of financial statements. Actual results could differ from those estimates.

c. Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, installation cost, duties, taxes, and other incidental expenses attributable to bringing the asset to its working condition.

The cost of software user licenses is charged to Statement of Profit and Loss in the year the software is acquired.

Assets under installation or under construction as at the balance sheet date are shown as capital work in progress.

Cost incurred to construct, widen, rehabilitate and maintain the existing two-lane Highway into four-lane on the Tada - Nellore Section of National Highway (NH - 5) and Ibrahimpatnam - Nandigama Section of National Highway (NH - 9) under concessionaire agreement, is capitalized as intangible asset under the head Carriage Ways, as the company has the commercial right to collect toll fee under the said concession agreement.

All fixed assets including intangible assets are assessed for any indication of impairment at the end of each financial year based on internal and external factors. On such indication, the impairment (being the excess of carrying value over the recoverable value of the asset), is charged to the Statement of Profit and Loss in the respective financial year. Recoverable amount is the higher of the net selling price of assets or its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

SWARNA TOLLWAY PRIVATE LIMITED
Notes to Financial Statements

d. Depreciation/ Amortisation

Depreciation on tangible fixed assets is provided on straight line basis at the rates determined based on the useful lives of assets specified in Schedule II of the Companies Act, 2013. Leasehold land is amortised over the lease period. Leasehold Improvements are amortised over the period of lease.

In respect of Intangible assets comprising of Carriage Ways, cost is amortised over the concession period on the unit method based on traffic projections. The projected traffic volume is based on independent professional studies. The traffic projections are reviewed by the Company periodically and appropriate adjustments made if there is a material change in the expected pattern of the economic benefits. It is additionally ensured that the amortization charge to date are not less than those arrived at by using Schedule II rates as amended by notification No.G.S.R.237 (E) [F.No.17/60/2012, CL-V] dated March 31, 2014. Carriageways are amortised over the concession period i.e., 28 years (from the year of capitalization to end of concession period), which is beyond the maximum period of 10 years as specified in AS 26 on Intangible Assets, as the economic benefits from the underlying assets would be available to the Company over such period as per the concessionaire agreement.

e. Government grant

Grant received from NHAI is in the form of equity support and shown as capital reserve under Reserves and Surplus.

f. Employee Benefits

i) Defined contribution plan -

Contributions paid/payable to provident fund being a defined contribution plan are recognised as expense during the year it is incurred. The company has no further obligation beyond making its contribution.

ii) Defined benefit plan -

Gratuity for employees is a defined benefit plan payable covered under the Payment of Gratuity Act 1972 of India. The liability as at the balance sheet date is provided for based on the actuarial valuation, using projected unit credit method at the balance sheet date carried out by an independent actuary. The corresponding expense is recognised in the Statement of Profit and Loss.

Actuarial gains and losses comprise experience adjustments and the effect of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss as income or expense.

iii) Other long term employee benefits -

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date based on actuarial valuation using projected unit credit method carried out at the balance sheet date.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss as income or expense.

iv) Short term employee benefits -

Short term obligation include compensated absences as at the balance sheet date and are recognised as an expense as per the company's scheme based on the expected obligation on an undiscounted basis.

SWARNA TOLLWAY PRIVATE LIMITED
Notes to Financial Statements

g. Revenue Recognition

Toll Revenue from operations of toll roads is recognised as and when the services are performed. Interest income is recognized on time proportion basis, taking in to account the principal amounts outstanding and the interest rates applicable.

h. Foreign Currency Transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Monetary foreign currency assets and liabilities are translated into rupees at the rates of exchange prevailing on the balance sheet date. The differences in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit and Loss.

i. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

j. Taxes on Income

Tax expense comprises of current tax and deferred tax. Current tax is determined based on the amount of tax payable in respect of taxable income for the year in accordance with Income Tax Act, 1961 enacted in India. Deferred tax is recognised on timing difference, being the difference between the taxable income and the accounting income that originate in one year and are capable of reversal in one or more subsequent years.

Deferred tax assets and liabilities are computed on timing differences applying the tax rates and tax laws that have been enacted or subsequently enacted by the balance sheet date. Deferred tax assets and differed tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by governing taxation laws. Deferred tax assets arising on account of unabsorbed depreciation or carry forward tax losses are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. All other deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such differed tax assets can be realized.

k. Earnings Per Share

The earnings considered in ascertaining the Company's Earnings per Share comprise net profit after tax the full amount of the required preference dividends for cumulative preference shares for the year, whether or not the dividends have been provided for in the accounts. The number of shares used in computing Basic Earnings per Share is the weighted average number of shares outstanding during the year.

l. Provisions

Provisions are recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation.

m. Lease Rentals

Operating lease rentals are recognised in the Statement of Profit and Loss over the period of the lease on a straight line basis.

n. Cash and cash equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

SWARNA TOLLWAY PRIVATE LIMITED
Notes to Financial Statements

Note 3 - Share Capital

(Amount in Rupees)

	March 31, 2017	March 31, 2016
Authorised:		
250,000,000 (31 March 2016: 250,000,000) Equity Shares of Rs.10 each	2,50,00,00,000	2,50,00,00,000
20,000,000 (31 March 2016: 20,000,000) 9% Cumulative Compulsoy convertible Preference Shares of Rs.10 each	20,00,00,000	20,00,00,000
	2,70,00,00,000	2,70,00,00,000
Issued, subscribed & Fully paid up		
250,000,000 (31 March 2016: 250,000,000) Equity Shares of Rs.10 each	2,50,00,00,000	2,50,00,00,000
20,000,000 (31 March 2016: 20,000,000) 9% Cumulative Compulsoy Convertible Preference Shares of Rs.10 each	20,00,00,000	20,00,00,000
	2,70,00,00,000	2,70,00,00,000

3.1. Rights, preference and restrictions attached to shares:

Equity Shares

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

Preference Shares

9% Cumulative Compulsory Convertible Preference Shares (CCCPs):

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

3.2. Details of Shares held by Holding Company*

	March 31, 2017		March 31, 2016	
	No. of Shares	% of holding	No. of Shares	% of holding
MAIF Investments India 3 Pte. Limited. The holding company (w.e.f.October 28, 2015)				
- Equity Shares of Rs. 10 each fully paid	17,50,00,000	70.00	17,50,00,000	70.00
- 9% Cumulative Compulsory Convertible Preference	1,40,00,000	70.00	1,40,00,000	70.00
Shares of Rs.10 each fully paid				

* Effective from October 28, 2015, MAIF Investment India 3 Pte Ltd has become Holding company of Swarna Tollway Private Limited by acquiring shares from IJMII(Mauritius) Limited.

SWARNA TOLLWAY PRIVATE LIMITED
Notes to Financial Statements

3.3. Details of share holders holding more than 5% shares in the Company

	March 31, 2017		March 31, 2016	
	No. of Shares	% of holding	No. of Shares	% of holding
Equity Shares of Rs. 10 each fully paid				
MAIF Investment India 3 Pte Ltd	17,50,00,000	70.00	17,50,00,000	70.00
CIDB Inventures SDN Bhd	7,50,00,000	30.00	7,50,00,000	30.00
	March 31, 2017		March 31, 2016	
	No. of Shares	% of holding	No. of Shares	% of holding
9% Cumulative Compulsory Convertible Preference Shares of Rs. 10 each fully paid				
MAIF Investment India 3 Pte Ltd	1,40,00,000	70.00	1,40,00,000	70.00
CIDB Inventures SDN Bhd	60,00,000	30.00	60,00,000	30.00

Note 4 - Reserves & Surplus

(Amount in Rupees)

	March 31, 2017	March 31, 2016
Capital Reserve	1,62,89,80,000	1,62,89,80,000
(Grant received from National Highways Authority of India)		
Sub-Total	1,62,89,80,000	1,62,89,80,000
Debenture Redemption Reserve		
Opening Balance	-	-
(+) Transferred from Surplus in statement of Profit & Loss	16,17,70,000	
Closing Balance	16,17,70,000	-
Statement of Profit and Loss		
Balance as per the last financial statement	54,62,77,918	(33,63,58,192)
Tangible Fixed agencies		
Add: Profit/(Loss) for the year	99,40,56,394	88,26,36,110
Less: Transfer to Debenture Redemption Reserves	(16,17,70,000)	
Less: Interim Equity Dividend paid to share holders	(29,62,50,000)	
Less: Dividend on Preference shares for the year 2014-15 and 2015-16	(3,60,00,000)	
Less: Dividend on Preference shares for the year	(1,80,00,000)	
Less: Dividend distribution tax on dividend on Equity & Preference shares	(7,13,02,658)	
Sub-Total	95,70,11,654	54,62,77,918
Total	2,74,77,61,654	2,17,52,57,918

Note 5 - Long-term Borrowings

(Amount in Rupees)

	March 31, 2017	March 31, 2016
Secured:		
Debentures		
120,000 debentures (2016: 120,000) redeemable non-convertible debentures	42,12,60,000	64,70,80,000
Term Loans from Banks	41,17,27,927	63,24,35,064
	83,29,87,927	1,27,95,15,064

SWARNA TOLLWAY PRIVATE LIMITED
Notes to Financial Statements

5.1. Debentures

The Company issued secured non-convertible redeemable 120,000 debentures on a private placement aggregating to Rs.1,200,000,000 which carry fixed rate of interest of 10.75% p.a. These Debentures are redeemable in 64 monthly instalments from December 2014 to March 2020.

5.2. Details of Security for Debentures

Debentures issued are secured by-

- First Mortgage and charge on all immovable assets of the company both present and future, save except for the project assets.
- First charge on all tangible movable assets including movable plant and machinery, furniture and fixtures, vehicles and other movable assets both present and future save except for project assets.
- First charge on all intangible assets including but not limited to goodwill, rights, undertaking and uncalled capital present and future excluding the project assets.
- Assignment of rights, title, interest, benefits, claims and demands whatsoever in the project documents.
- Assignment of rights, title, interest, benefits, claims and demands whatsoever in the Insurance Contracts.
- Additionally, MAIF Investment India 3 Pte Limited (Holding Company) has pledged 30% of equity shares i.e., 75,000,000 equity shares.

5.3. Details of Security and terms of repayment of Term Loans

a) Term loans from Banks are secured by-

- First mortgage and charge on all the immovable properties of the Company, both present and future save except Project Assets.
- First charge on all tangible movable assets including movable plant and machinery, furniture and fixtures, vehicles and other movable assets both present and future save except for project assets.
- First charge on all intangible assets including but not limited to goodwill, rights, undertaking and uncalled capital present and future excluding the project assets.
- Assignment of rights, title, interest, benefits, claims and demands whatsoever in the Insurance Contracts.
- Assignment of rights, title, interest, benefits, claims and demands whatsoever in the project documents, both present and future.
- Additionally, MAIF Investment India 3 Pte Limited (Holding Company) has pledged 30% of equity shares i.e., 75,000,000 equity shares.

b) Term Loan from Banks are repayable in 64 monthly instalments from December 2014 to March 2020 and carry a fixed rate of interest of 11.25% p.a.

Note 6 - Long-term Provisions

(Amount in Rupees)

	March 31, 2017	March 31, 2016
Provisions for Employee Benefits		
- Provision for Gratuity	72,53,635	51,21,558
- Provision for Leave Encashment	8,40,666	6,40,481
	80,94,301	57,62,039

SWARNA TOLLWAY PRIVATE LIMITED**Notes to Financial Statements****Note 7 - Trade Payables****(Amount in Rupees)**

	March 31, 2017	March 31, 2016
Due to related parties		
Total outstanding dues of micro enterprises and small enterprises *	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,20,40,419	12,62,57,919
	10,20,40,419	12,62,57,919

* There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at March 31, 2017. This information as required to be disclosed under The Micro, Small and Medium Enterprises Development (MSMED) Act 2006 has been determined to the extent such parties have been identified on the basis of Information available with the Company.

Note 8 - Other Current Liabilities**(Amount in Rupees)**

	March 31, 2017	March 31, 2016
Current maturities of Long-term Debentures (Refer Notes 5.1, and 5.2 above)	22,58,20,000	22,58,10,000
Current maturities of Long-term Loans from Banks (Refer Notes 5.3 above)	22,07,07,144	22,07,07,144
Advances received from Customers	43,26,330	54,55,320
Payable towards statutory liabilities	30,33,456	25,65,608
Interest payable on shortfall of advance tax		66,56,236
	45,38,86,930	46,11,94,308

Note 9 - Short-term Provisions**(Amount in Rupees)**

	March 31, 2017	March 31, 2016
Provisions for Employee Benefits		
- Provision for Gratuity	2,99,027	2,49,723
- Provision for Leave encashment	1,35,343	1,10,699
Dividend on Preference Shares	2,16,64,376	
Other Provisions		
- Provision for Income Tax		7,89,98,738
	2,20,98,746	7,93,59,160

SWARNA TOLLWAY PRIVATE LIMITED
Notes to Financial Statements

(Amount in Rupees)

Note 10 - Tangible Assets

	Gross Block				Depreciation / Amortization				Net Block	
	April 1, 2016	Additions / Adjustment	Deletions / Adjustment	March 31, 2017	April 1, 2016	For the year	Deductions	March 31, 2017	March 31, 2017	March 31, 2016
(a) Tangible Assets										
Freehold Land	8,67,273			8,67,273	-	-		-	8,67,273	8,67,273
Leasehold Land	1,98,600			1,98,600	26,887	2,006		28,893	1,69,707	1,71,713
Building	4,81,28,786			4,81,28,786	2,06,45,630	11,03,073		2,17,48,703	2,63,80,083	2,74,83,156
Toll collection Equipment & System	34,10,36,152	25,48,826		34,35,84,978	32,54,72,580	45,14,399		32,99,86,979	1,35,97,999	1,55,63,572
Furniture & Fixtures	24,98,964			24,98,964	18,36,829	96,053		19,32,882	5,66,082	6,62,135
Office Equipments	84,47,739	9,81,535	1,43,520	92,85,754	76,61,436	6,95,715	1,43,520	82,13,631	10,72,123	7,86,303
Computers	30,95,033	3,34,100		34,29,133	23,11,380	2,49,601		25,60,981	8,68,152	7,83,653
Vehicles	1,41,57,036	34,92,335	13,54,716	1,62,94,655	1,10,56,345	11,65,814	9,22,967	1,12,99,192	49,95,463	31,00,691
Total	41,84,29,583	73,56,796	14,98,236	42,42,88,143	36,90,11,087	78,26,661	10,66,487	37,57,71,261	4,85,16,882	4,94,18,496
Previous year	41,42,67,431	97,79,586	56,17,434	41,84,29,583	36,64,27,423	77,18,999	51,35,335	36,90,11,087	4,94,18,496	

(Amount in Rupees)

Note 11 - Intangible Assets

	Gross Block				Depreciation / Amortization				Net Block	
	April 1, 2016	Additions / Adjustment	Deletions / Adjustment	March 31, 2017	April 1, 2016	For the year	Deductions	March 31, 2017	March 31, 2017	March 31, 2016
(b) Intangible Assets										
- Carriage way Rights	7,17,55,37,482	-	-	7,17,55,37,482	1,84,38,06,843	20,59,55,811	-	2,04,97,62,654	5,12,57,74,828	5,33,17,30,639
Total	7,17,55,37,482	-	-	7,17,55,37,482	1,84,38,06,843	20,59,55,811	-	2,04,97,62,654	5,12,57,74,828	5,33,17,30,639
Previous year	7,17,55,37,482	-	-	7,17,55,37,482	1,64,85,37,778	19,52,69,065	-	1,84,38,06,843	5,33,17,30,639	

SWARNA TOLLWAY PRIVATE LIMITED
Notes to Financial Statements

Note 12 - Long-term Loans and Advances (Unsecured, Considered good) (Amount in Rupees)

	March 31, 2017	March 31, 2016
Security Deposit		
- Electricity Deposit	26,16,585	23,74,745
- Telephone Deposit	37,769	40,000
- Rent Deposit	98,850	73,500
- Other Deposit	1,00,00,000	1,00,00,000
MAT Credit Entitlement	40,20,00,000	18,98,00,000
Advance Income Tax[Net of Provision Rs. 70,39,00,000 (March 31, 2016:Rs.49,17,00,000)]	42,74,813	-
	41,90,28,017	20,22,88,245

Note 13 - Other Non-current assets (Unsecured, Considered good) (Amount in Rupees)

	March 31, 2017	March 31, 2016
Balance with bank		
Long term deposits with banks with maturity period more than 12 months from the date of the Balance sheet	10,873	1,80,24,634
	10,873	1,80,24,634

Note 14 - Current Investments (Amount in Rupees)

	March 31, 2017	March 31, 2016
Investment in Mutual Funds		
b) Investments in Mutual Funds		
Investments with ICICI Pru life - Flexible Funds *	49,48,03,852	-
Investments with ICICI Pru life - Liquid Funds **	6,28,352	-
Investments with ICICI Pru life - Saving Funds ***	3,80,00,000	-
Investments with SBI Mutual Funds - Ultra Short Term Funds ****	5,00,00,000	-
	58,34,32,204	-
* Market Value of ICICI Pru life - Flexible Funds	50,84,88,229	-
** Market Value of ICICI Pru life - Liquid Funds	6,29,451	-
*** Market Value of ICICI Pru life - Saving Funds	3,82,36,862	-
**** Market Value of SBI Mutual Funds - Ultra Short Term Funds	5,00,00,001	-
	59,73,54,543	-

Note 15 - Cash and Bank Balances (Amount in Rupees)

	March 31, 2017	March 31, 2016
Cash and Cash Equivalents		
a) Balances with banks		
on Current account	91,13,963	1,09,96,578
on Term deposits (with less than 3 months from the date of deposit)	33,56,97,355	44,21,89,393
b) Cash on hand	1,37,58,018	1,38,57,870
Sub-Total	35,85,69,336	46,70,43,841
Other Bank Balances		
on Term Deposits (with maturity more than 3 months from the date of deposit)	30,84,29,682	72,49,28,218
Sub-Total	30,84,29,682	72,49,28,218
Total	66,69,99,018	1,19,19,72,059

SWARNA TOLLWAY PRIVATE LIMITED
Notes to Financial Statements

Note 16 - Short-term Loans and Advances (Unsecured, Considered good) (Amount in Rupees)

	March 31, 2017	March 31, 2016
Prepaid expenses	22,26,044	14,24,394
Others	69,68,318	45,45,620
	91,94,362	59,70,014

Note 17 - Other Current Assets (Unsecured and considered good) (Amount in Rupees)

	March 31, 2017	March 31, 2016
Interest accrued on Fixed Deposits	92,901	24,25,485
Receivable from NHAI*	1,38,20,892	2,55,16,836
	1,39,13,793	2,79,42,321
* Represents cost reimbursable from National Highway Authority of India for implementation of Electronic Toll Collection System.		

Note 18 - Other Income (Amount in Rupees)

	March 31, 2017	March 31, 2016
Interest Income on Bank Deposits	6,94,23,385	8,06,47,879
- Others		
Miscellaneous Income	5,17,16,509	34,75,576
Profit on sale of assets	2,76,251	2,76,500
	12,14,16,145	8,43,99,955

Note 19 - Maintenance Expenses (Amount in Rupees)

	March 31, 2017	March 31, 2016
Routine Maintenance Expenses	8,66,71,924	6,80,09,407
NH-5 Flood Damage Rehabilitation Works	57,31,367	5,41,19,448
Major Maintenance Expenses	4,02,62,986	13,04,66,852
Maintenance Expenses of Toll Equipment	18,96,128	11,53,298
	13,45,62,405	25,37,49,005

SWARNA TOLLWAY PRIVATE LIMITED
Notes to Financial Statements

Note 20 - Employee Benefit expenses (Amount in Rupees)

	March 31, 2017	March 31, 2016
Salaries, wages and bonus	5,81,75,503	5,52,02,020
Contribution to Provident Fund and other funds	34,65,602	32,24,012
Staff welfare expenses	23,06,312	26,07,151
	6,39,47,417	6,10,33,183

Note 21 - Administrative and Other expenses (Amount in Rupees)

	March 31, 2017	March 31, 2016
Power and Fuel charges	2,15,35,633	2,15,53,245
Rent	3,12,098	31,02,532
Repairs and Maintenance		
-Machinery	34,78,499	32,91,460
-Others	30,64,855	22,99,005
Insurance	75,95,324	50,09,306
Rates and Taxes	38,63,028	55,71,098
Directors' Sitting Fee	-	1,90,000
Bank / Other finance charges	4,93,602	25,806
Professional charges	4,18,35,717	1,52,69,290
Communication Expenses	5,26,847	4,94,473
Expenditure towards Corporate Social Responsibility (CSR) activities	75,37,568	28,39,907
Travelling and Conveyance	56,86,195	64,51,146
Printing and Stationery	24,13,410	18,44,858
Security services	3,79,86,644	2,97,31,197
Lenders Agent Assignment Fee	1,71,750	1,70,787
Miscellaneous Expenses	1,33,61,497	1,26,53,076
	14,98,62,667	11,04,97,186

Note- 21.1. Expenditure towards Corporate Social Responsibility (CSR) activities-

The Company has incurred an amount of Rs. 75,37,568 (31 March 2016: Rs. 28,39,907) as a part of CSR activities in respect of the amount of Rs. 63,69,512 computed as per Section 135 of the Companies Act, 2013. The Company had planned CSR activities related to promoting education, rural development, promoting health care, sanitation, safety awareness and safe drinking water availability has been completed in the current year.

(Amount in Rupees)

	March 31, 2017	March 31, 2016
Gross amount required to be spent during the year	63,69,512	28,02,752

(Amount in Rupees)

	March 31, 2017	March 31, 2016
Amount Spent during the year and paid in Cash- On Education, Health & Drinking water at Rural areas	75,37,568	28,39,907
Total	75,37,568	28,39,907

Note- 21.2. Miscellaneous Expenses above Includes Auditors Remuneration as below

(Amount in Rupees)

	March 31, 2017	March 31, 2016
- Audit Fees	5,17,500	10,87,750
- Tax Audit Fees	97,750	1,71,750
- Internal Audit Fees	12,65,000	
- Out of Pocket Expenses	-	10,007
	18,80,250	12,69,507

Note 22 - Finance costs

(Amount in Rupees)

	March 31, 2017	March 31, 2016
Interest expense	16,74,52,152	21,66,31,364
Interest on shortfall of advance tax		66,56,236
Other borrowing costs		1,40,000
	16,74,52,152	22,34,27,600

SWARNA TOLLWAY PRIVATE LIMITED
Notes to Financial Statements

Note 23 - Depreciation and Amortisation expense (Amount in Rupees)

	March 31, 2017	March 31, 2016
Depreciation on Tangible assets	78,26,661	77,18,999
Amortisation on Intangible assets	20,59,55,811	19,52,69,065
	21,37,82,472	20,29,88,064

Note 24 - Earnings/(Loss) Per Share

Basic and Diluted Earnings per share (EPS) computed in accordance with Accounting Standard (AS 20) "Earnings per Share"

	March 31, 2017	March 31, 2016
a) Basic		
Net Profit after tax (Rs.)	99,40,56,394	88,26,36,110
Less: Preference dividend for the year on Cumulative redeemable preference shares/ Cumulative Compulsory convertible preference shares not recorded as not yet declared [Including dividend distribution tax applicable]	-2,16,64,376	-2,16,64,376
Adjusted Profit - A	97,23,92,017	86,09,71,734
Weighted Average number of Equity shares of Rs.10 each -B	25,00,00,000	25,00,00,000
Basic Earnings/(Loss) per share (Rs.) [A/B]	3.89	3.44
b) Diluted		
Adjusted Profits- A	97,23,92,017	86,09,71,734
Add: Preference dividend for the year on Cumulative Compulsory convertible preference shares above [Including dividend distribution tax applicable]	2,16,64,376	2,16,64,376
Net Profit for calculation of Diluted EPS - C	99,40,56,394	88,26,36,110
Weighted average number of shares for calculation of Diluted EPS - D	27,00,00,000	27,00,00,000
Diluted Earnings/(Loss) per share (Rs.) [C/D]	3.68	3.27

Note 25- Arrears of Preference Dividend

Arrears of dividend on 9% 20,000,000 Cumulative Compulsory Convertible Preference Shares of Rs.10 each amounting to Rs. 2,16,64,376 (2016- Rs. 4,33,28,752).

Note 26 - Segment Information

The Company's business relates to design, construction, development, improvement, operation and maintenance, including strengthening and widening of carriage ways, which in the context of Accounting standard 17, "Segment reporting", is considered as the only segment. Further, the Company's entire operations are based in India.

Note 27 - Leases

Lease payments made under cancellable operating leases relating to premises Rs.3,12,098 (2016 - Rs.3,102,532) which has been recognised as rent under Note 20.

Note 28 - Dividend on Equity shares

The Directors of the Company have proposed dividend of Rs. 98,48,26,447 for the year 2016-17 and which is subject to the approval of shareholders of the Company in the ensuing Annual General Meeting.

SWARNA TOLLWAY PRIVATE LIMITED
Notes to Financial Statements

Note 29 - Deferred Tax

	(Amount in Rupees)	
	March 31, 2017	March 31, 2016
Deferred Tax Asset on :		
Provision for Employee Benefits	28,98,895	20,81,024
Depreciation on Tangible Assets	15,53,178	21,39,025
Unabsorbed Depreciation	21,38,68,107	21,41,00,131
Deferred Tax Liability on:		
Amortisation on Intangible assets (Carriage way Rights)	21,83,20,180	21,83,20,180
Deferred Tax asset (Net)	-	-

The deferred tax asset in respect of Unabsorbed depreciation has been recognised only to the extent of Deferred tax liability being the amount considered virtually certain of recovery.

Note 30 - Employee Benefits

a) In accordance with the 'Payment of Gratuity Act, 1972' of India, the Company provides for gratuity, a defined retirement benefit plan (the 'Gratuity Plan') covering eligible employees. Liabilities with regard to such Gratuity Plan are determined by an independent actuarial valuation and are charged to the Statement of Profit and Loss in the period determined. Disclosures envisaged in AS 15 (Revised) towards gratuity are given below:

	(Amount in Rupees)	
	March 31, 2017	March 31, 2016
Projected benefit Obligations at the beginning of the year	69,99,958	64,15,771
Add: Current Service cost	3,68,339	3,29,280
Add: Interest cost	5,59,997	5,13,262
Add: Actuarial (gain)/ loss	13,26,044	7,10,738
Benefits paid during the year	(13,72,149)	(9,69,093)
Projected benefit Obligations at the end of the year	78,82,189	69,99,958
Amounts Recognized In the Balance Sheet		
Projected benefit obligation at the end of the year	78,82,189	69,99,958
Fair Value of Plan Assets at the end of the year	3,29,527	16,28,677
(Asset) / Liability recognized in the Balance Sheet	75,52,662	53,71,281
Cost of Retirement and other benefits for the year		
Current service cost	3,68,339	3,29,280
Add: Interest cost	5,59,997	5,13,262
Less: Expected Return on Plan Assets	(73,235)	(1,46,272)
Less: Premium Expenses	(236)	(249)
Add: Actuarial (gain)/ loss due to change in assumptions	13,26,044	7,10,738
Less: Contributions made to Plan assets by Group company on account of transfer of employees	-	4,15,803
Net cost recognized in Profit and Loss Account	21,81,381	9,91,454
Actuarial assumptions used:		
Discount rate per annum	8.00%	8.00%
Rate of increase in compensation levels	5%	5%

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

b) Asset Information:

The Plan Asset for the funded gratuity plan are administered by SBI Life Insurance Company Limited as per the Investment Pattern

c) Amounts recognised in current year and in previous four years are as follows:

Year	Defined Benefit Obligation	Plan Asset	(Amount in Rupees)
			(Surplus)/ Deficit
March 31, 2017	78,82,189	3,29,527	75,52,662
March 31, 2016	69,99,958	16,28,677	53,71,281
March 31, 2015	64,15,771	20,35,944	43,79,827
March 31, 2014	44,23,978	21,18,112	23,05,866
March 31, 2013	54,92,224	24,64,747	30,27,477

d) Eligible employees of the Company receive benefit under the Provident Fund which is a defined contribution where in both the employee and the Company make monthly contributions equal to a specified percentage of the covered employees' salary. These contributions are made to the Fund administered and managed by the Government of India. The Company's monthly contributions are charged to the Statement of Profit and Loss in Contribution to Provident Fund and Other funds under Note 19. Total expenditure incurred during the year Rs. 2,967,341 (2016: Rs. 3,007,571).

e) Gratuity has been recognised in statement of Profit and Loss under Note 19

f) Provision for Leave encashment as at the year end amounts to Rs. 976,009 (2016- Rs. 751,180)

Note 31 - Related party disclosures

A. Name of related party and nature of relationship

Nature of relationship	Names of related parties
Ultimate Holding Company	Macquarie Group Limited, Australia *
Holding Company	MAIF Investment India 3 Pte Ltd, Singapore *
Fellow subsidiary Company	MIRA India Management Services Private Limited, India *

B. Transactions:

The information with regard to related party transactions is for the period during which related party relationship existed.

Nature of Transaction and Related party	(Amount in Rupees)	
	March 31, 2017	March 31, 2016
IJM (India) Infrastructure Limited		
Maintenance expense	-	74,47,70,466
MIRA India Management Services Private Limited		
Professional services received	2,09,86,916	33,20,074

C. Balances as at the end of the year

	(Amount in Rupees)	
	March 31, 2017	March 31, 2016
MIRA India Management Services Private Limited		
Outstanding payable (net)	28,35,068	13,74,052

Note 32- Note on Income tax

In respect of assessment years 2005-06 to 2010-11, the Company had received notice of demand aggregating to Rs.128,238,457 arising on disallowance of Depreciation on carriage ways from Deputy Commissioner of Income Tax vide Orders dated February 22, 2013, March 1, 2013, March 5, 2013 and March 13, 2013. Subsequently, CIT(Appeals) and Income Tax Appellate Tribunal (ITAT) has disposed the orders and decided the case in favour of the Company.

The Income tax Department had filed petition before The High Court of Andhra Pradesh & Telangana against the above orders. Considering that subsequently the Income Tax department has issued a Circular dated April 23, 2014 clarifying the treatment of expenditure incurred for development of roads/highways in BOT agreements under Income Tax Act, 1961, the Company believes that it does not have any obligation in respect of the petitions filed by the Department.

Note 33 - Revenue during Demonitisation

Based on the written instructions from NHAI (National Highways Authority of India) on November 09, 2016 due to demonitisation of Rs. 500 and Rs. 1000 denomination notes, the Company has not collected any Toll fee for the period of November 09, 2016 18.00 hrs to December 02, 2016 from Sullurpet, Bhudanam, Venkatachalam and Keesara Toll plazas for the said period and hence the revenue doesn't include the fee that was not collected for the above mentioned period.

Note 34 - Details of Specified Bank Notes held and transacted during the period from 08-Nov-2016 to 30-Dec-2016 provided in the table below:

Particulars	SBNs (Rs.)	Other Denomination Notes (Rs.)	Total (Rs.)
Closing cash in hand as on 08.11.2016	66,01,500	90,00,285	1,56,01,785
(+) Permitted Receipts	8,99,92,500	1,35,65,295	10,35,57,795
(-) Amount deposited in Bank	9,24,17,000	1,31,66,650	10,55,83,650
Closing cash in hand as on 30.12.2016	41,77,000	93,98,930	1,35,75,930

Note 35 - Previous year figures have been reclassified to conform to this year's classification.

For and on behalf of the Board of Directors

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



S.POOSAIDURAI
Partner
Membership No.: 223754



(NAREN BABU KARANAM)
Director
Din - 03295872



P.K.RAMAN SAI
Company Secretary



(SHUBHANGINI SUBRAMANIAM)
Director
Din - 07589976

Place: Hyderabad
Date: June 20, 2017