INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GURUVAYOOR INFRASTRUCTURE PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Guruvayoor Infrastructure Private Limited**('the Company'), which comprise the balance sheet as at 31 March 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under section 143(11) of the Act

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.;

(d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

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

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

(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, as amended, in our opinion and to the best of our information and according to the explanations given to us :

i. The Company has no pending litigation which would impact its financial position except those disclosed in financial statements;

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

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

GHANENDER & ASSOCIATES NEW DELHI Chartered Accountants

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

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

For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Manju Agrawal
Partner
M No. 083878

Place: New Delhi
Date 13/04/2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Guruvayoor Infrastructure Private Limited** of even date)

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

We have audited the internal financial controls over financial reporting of **Guruvayoor Infrastructure Private Limited** ("the Company") as of March 31, 2018 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 my /our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Glanender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)

Glanender & Associates New Delhi Chartered Accountants

Manju Agrawal
Partner
M No. 083878

Place: New Delhi
Date 13/04/2018

Annexure 'B' to the Independent Auditor's Report of Guruvayoor Infrastructure Private Limited for the Year ended as on 31st March, 2018

Annexure referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date:-

i. 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 immoveable properties are held in the name of the company.

ii. As the company is engaged in the business of infrastructure development, operations and its maintenance and there is no inventory in hand at any point of time, hence paragraph 3(ii) of the Order is not applicable to the company.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liabilities partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, reporting under clause (a) to (c) of Para 3(iii) are not applicable.

iv. The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Therefore the paragraph 3(iv) of the Order is not applicable to the company.

v. The Company has not accepted deposits in terms of the provisions of section 73 to 76 of the Companies Act, 2013 and rules framed there under. Therefore the paragraph 3(v) of the Order is not applicable to the company.

vi. The Company is prima-facie maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

vii. a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has been generally regular in depositing undisputed statutory dues including provident fund, employee state insurance, income tax, service tax, value added tax, cess and other statutory dues during the year with the appropriate authorities. As on 31st March, 2018, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable.

b) According to the information and explanations given to us, there were no statutory dues pending in respect of income tax, sales tax, VAT, custom duty and cess etc. on account of any dispute.

viii. The company has taken term loans from banks and also issued debentures. The company has not defaulted in repayment of loan to the banks or debenture holders. The Company has not taken any loans or borrowings from any Government.

ix. Money raised by way of term loans were applied for the purpose for which it was raised. The Company has not raised money by way of initial public offer or further public offer.

x. According to the information and explanation given to us by the management which have been relied by us, there were no frauds on or by the company noticed or reported during the period under audit.

xi. The company has not paid any managerial remuneration, hence paragraph 3(xi) of the order is not applicable to the company.

xii. The company is not a Nidhi Company, therefore para 3(xii) of the Order is not applicable to the company.

xiii. In our opinion and according to the information provided to us, the transaction entered with the related partied are in compliance with section 177 and 188 of the Act and are disclosed in the financial statements as required by the applicable accounting standards.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the company.

xv. According to the information provided to us, the company has not entered into any non-cash transaction with directors or the persons connected with him covered under section 192 of the Companies Act 2013. Therefore, paragraph 3(xv) of the Order is not applicable to the company.

xvi. According to the information provided to us, the company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934. Therefore, paragraph 3(xvi) of the Order is not applicable to the company.

For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Manju Agrawal
Partner
M No. 083878

Place: New Delhi
Date 13/04/2018

O/C

Guruvayoor Infrastructure Private Limited
CIN U45200TG2005PTC048180
Balance Sheet as at March 31, 2018

(Rs. in Lakhs)

	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	95.75	52.97
Investment Property	5	4.85	4.85
Intangible Assets			
(i) under SCA	4	57,667.91	60,968.26
(ii) others			
Financial assets			
Other Financial asset	6	904.70	807.77
Other non-current assets	7	1,514.91	1,591.91
Total Non-Current Assets		**60,188.12**	**63,425.76**
Current Assets			
Financial assets			
(i)Investments	8	13,750.17	10,730.78
(ii)Trade receivables	9	7,701.91	5,910.05
(iii) Cash and cash equivalents	10	539.28	360.02
(c) Current tax assets (Net)	11	19.92	14.15
Other current assets	12	233.97	573.55
Total Current Assets		**22,245.25**	**17,588.55**
Total Assets		**82,433.37**	**81,014.31**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	16,894.00	16,894.00
Other Equity	14	(14,475.88)	(9,063.92)
Total Equity		**2,418.12**	**7,830.08**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Long-term borrowings	15	52,599.12	56,154.57
Provisions	16	600.44	3,201.74
Total Non-Current Liabilities		**53,199.56**	**59,356.31**
Current liabilities			
Financial liabilities			
Other financial liabilities	17	25,712.76	13,763.81
Other current liabilities	18	1,102.86	64.11
Provisions	19	0.07	-
Total Current Liabilities		**26,815.69**	**13,827.92**
Total Liabilities		**80,015.25**	**73,184.23**
Total Equity and Liabilities		**82,433.37**	**81,014.31**

Notes form part of the Financial Statements
As per report our report of even date

For GIANENDER & ASSOCIATES
Firm's Registration No. 04661N
Chartered Accountants

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Manju Agrawal
(Partner)
Membership No.: 083878
Place : N-Delhi
Date : 13/4/18

For and on behalf of the Board of Directors

Rahul Dhandhania	**Shiv Prakash Kedia**
Director	**Director**
DIN 00647088	**DIN 01404692**

Naina Malviya
Company Secretary
M.No. : A - 40725

Guruvayoor Infrastructure Private Limited

Guruvayoor Infrastructure Private Limited
CIN U45200TG2005PTC048180
Statement of profit and loss for the year ended 31st March 2018

(Rs. in Lakhs)

	Notes	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Revenue from operations	20	13,429.78	11,536.96
Other income	21	1,006.84	850.09
Total Income		**14,436.62**	**12,387.05**
Expenses			
Employee benefits expenses	22	334.05	57.89
Finance Costs	23	10,239.48	5,046.79
Depreciation and Amortisation Expenses	24	3,313.73	2,680.68
Other Expenses	25	5,957.61	5,594.13
Total expenses		**19,844.87**	**13,379.50**
Profit /(loss) before exceptional items and tax		**(5,408.25)**	**(992.45)**
Add: Exceptional items			
Profit/ (loss) before tax		**(5,408.25)**	**(992.45)**
Less: Tax expense			
(1) Current tax			
(2) MAT credit entitlement			
(2) Deferred tax			
Profit/ (loss) for the period from continuing operations		**(5,408.25)**	**(992.45)**
Other Comprehensive Income			
Remeasurements of the defined benefit plans		**(3.71)**	**(0.02)**
Total other comprehensive income		**(3.71)**	**(0.02)**
Total comprehensive income for the period		**(5,411.96)**	**(992.46)**
Earnings per share (Face Value ₹ 10/- per share) Not annualised :			
(1) Basic (in Rs.)		**(3.20)**	**(0.59)**
(2) Diluted (in Rs.)		**(3.20)**	**(0.59)**

Notes form part of the Financial Statements

As per report our report of even date

For GIANENDER & ASSOCIATES
Firm's Registration No. 04661N
Chartered Accountants

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Manju Agrawal
(Partner)
Membership No.: 083878
Place : N. Delhi
Date : 13/4/18

For and on behalf of the Board of Directors

Rahul Dhandhania
Director
DIN 00647088

Shiv Prakash Kedia
Director
DIN 01404692

Naina Malviya
Company Secretary
M.No. : A - 40725

Guruvayoor Infrastructure Private Limited

Guruvayoor Infrastructure Private Limited
CIN U45200TG2005PTC048180
Cash Flow Statement as on March 31, 2018

(Rs. in Lakhs)

S. No.	Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
A	**Net profit / (loss) before tax and extraordinary items**	(5,411.96)	(992.46)
	Adjustment for		
	Depreciation and amortisation expense	3,313.73	2,680.68
	Interest expense	10,239.48	5,046.79
	Interest income	(98.52)	(87.56)
	(Profit)/loss on sale of current investments(net)	(772.38)	(708.78)
	(Profit)/loss on sale of fixed assets		
	Operating profit before working capital changes	**7,270.35**	**5,938.67**
	Adjustments for:		
	Increase / (Decrease) in long term provisions	(2,601.22)	724.16
	Increase / (Decrease) in current financial liabilities	7,203.78	4,340.67
	Increase / (Decrease) in other current liabilitites	511.51	13.93
	Increase / (Decrease) in short term provisions		
	(Increase) / Decrease in other non-current assets	77.00	105.67
	(Increase) / Decrease in other non-current financial assets	(96.93)	(86.55)
	(Increase) / Decrease in Trade Receivables	(1,791.86)	(1,620.04)
	(Increase) / Decrease in short term loans and advances		
	(Increase) / Decrease in inventories		
	(Increase) / Decrease in other current assets	339.58	(495.17)
	Net cash generated from/(used in) operating activities	**10,912.21**	**8,921.36**
	Direct taxes paid (net of refunds)	(5.77)	(1.02)
	Net Cash(used in)/generated from Operating Activities	**10,906.44**	**8,920.34**
B	**Cash flow from investing activities**		
	Purchase of fixed assets	(56.16)	(57.67)
	Sale of fixed assets		
	Purchase of current investments	(3,019.39)	(4,191.78)
	(Purchase)/Sale of current investments	-	-
	Intercorporate deposits (placed)/refunded (net)		
	Dividend received from current investments	772.38	708.78
	Interest received	98.52	87.56
	Net cash (used in)/generated from investing activities	**(2,204.66)**	**(3,453.11)**
C	**Cash flow from financing activities**		
	Proceeds from issue of capital	-	-
	Proceeds from long term borrowings	(3,555.44)	(406.67)
	Repayment of long term borrowings		
	Interest paid	(4,967.07)	(5,046.79)
	Net cash (used in)/generated from financing activities	**(8,522.53)**	**(5,453.46)**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**179.26**	**13.77**
	Cash and cash equivalents as at the beginning of the year	360.02	346.25
	Cash and cash equivalents as at the end of the year	**539.28**	**360.02**

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

As per report our report of even date

For GIANENDER & ASSOCIATES
Firm's Registration No. 04661N
Chartered Accountants

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Manju Agrawal
(Partner)
Membership No.: 083878
Place : N-Delhi
Date : 13/4/18

For and on behalf of the Board of Directors

Rahul Dhandhania
Director
DIN 00647088

Shiv Prakash Kedia
Director
DIN 01404692

Guruvayoor Infrastructure Private Limited

Naina Malviya

Naina Malviya
Company Secretary
M.No. : A - 40725

Guruvayoor Infrastructure Private Limited

CIN U45200TG2005PTC048180

Statement of Changes in Equity

A. Share Capital:

(Rs. in Lakhs)

a. Equity share capital

Movement during the period	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
Particulars	**Number of shares**	**Share capital (Amount)**	**Number of shares**	**Share capital (Amount)**
Shares having face value of Rs 10/- **Balance at beginning of the period** Issued during the period	168,940,000	16,894.00	168,940,000	16,894.00
Balance at the end of the period	**168,940,000**	**16,894.00**	**168,940,000**	**16,894.00**

B. Other Equity

	Reserves and Surplus		Other items of Other Comprehensive Income (specify nature)	Total
	General reserve	Retained Earnings		
Balance at the beginning of the reporting period i.e. 01.04.2017	-	(9,063.92)		(9,063.92)
Changes in accounting policy or prior period errors	-	-		-
Restated balance at the beginning of the reporting period	-	(9,063.92)		(9,063.92)
Total Comprehensive Income for the period		(5,411.96)		(5,411.96)
Transfer to Debenture Redemption Reserve/ Created		-		-
Balance at the end of the reporting period i.e. 31.03.2018	-	(14,475.88)		(14,475.88)

Previous Year

	Reserves and Surplus		Other items of Other Comprehensive Income (specify nature)	Total
	General reserve	Retained Earnings	General reserve	Retained Earnings
Balance at the beginning of the reporting period i.e. 01.04.2016	-	(8,071.46)		(8,071.46)
Changes in accounting policy or prior period errors	-	-		-
Restated balance at the beginning of the reporting period	-	(8,071.46)		(8,071.46)
Total Comprehensive Income for the year		(992.46)		(992.46)
Transfer to Debenture Redemption Reserve/ Created		-		-
Balance at the end of the reporting period i.e. 31.03.2017	-	(9,063.92)		(9,063.92)

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Guruvayoor Infrastructure Private Limited

1 Corporate Information

The Company has been awarded the Concession for 'design, construction, finance, operation and maintenance' for widening of the existing two lanes to four lanes from Km 270 (Thrissur) to Km 316.7 (Angamali) on NH 47 and improvements, operations and maintenance of Km 316.7 (Angamali) to Km 342 (Edapalli) on NH 47 in the state of Kerala on Build, Operate and Transfer (BOT) basis as per the Concession Agreement dated March 27, 2006 read with Supplementary Agreements dated November 23, 2009 and December 03, 2011 signed with National Highways Authority of India (NHAI). The Concession Agreement is for a period of 21 years and 9 months till June 21,2028. The Scheduled Project Completion Date (SPCD) of the Company's project vide Supplementary Agreement dated 23.11.2009 was extended from 21.03.2009 to 21.12.2010 (i.e. for 21 months) and subsequently Concession period was also correspondingly extended from (22.09.2006 -21.09.2026) to (22.09.2006 - 21.06.2028) i.e. also upto 21 month. The Company received the provisional completion certificate on December 04, 2011 and final completion certificate on April 18, 2016 from the Independent Consultant appointed by NHAI.

2 Significant Accounting Policies

2.01 Basis of preparation

(a) Compliance with IndAS

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

(b) Basis of measurement

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

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

(c) Use of estimates and judgements

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

(d) Measurement of fair values

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

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date

• Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

2.02 Presentation of financial statements

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

Amounts in the financial statements are presented in Indian Rupees(lakhs) rounded off to two decimal places in line with the requirements of Schedule III.

2.03 Revenue recognition

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

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

b) Toll collections from the users of the infrastructure facility constructed by the Company under the Service Concession Arrangement is accounted for based on actual collection. Revenue from sale of smart cards is accounted on cash basis.

c) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Guruvayoor Infrastructure Private Limited

d) Contract revenue for fixed price contracts is recognised only to the extent of cost incurred that it is probable will be recoverable till such time the outcome of the job cannot be ascertained reliably. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

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

For the purposes of recognising revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

For this purpose, actual cost includes cost of land and developmental rights but excludes borrowing cost. Expected loss, if any, on the construction activity is recognised as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

e) Fair value gains on current investments carried at fair value are included in other income.

f) Dividend income is recognised when the right to receive the same is established by the reporting date.

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

2.04 Cash and bank balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term highly liquid investments being not free from more than insignificant risk of change are not included as part of cash and cash equivalents. Bank overdrafts which are part of the cash management process is included as part of cash and cash equivalents.

2.05 Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of:

(a) transactions of a non-cash nature;

(b) any deferrals or accruals of past or future operating cash receipts or payments and,

(c) all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

2.06 Current & Non Current classification :

Current Asset :

An asset shall be classified as current when it satisfies any of the following criteria:

(a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;

(b) it is held primarily for the purpose of being traded.

(c) It is expected to be realized within twelve months after the reporting date, or

(d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

Current Liabilities:

A liability shall be classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in the company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within twelve months after the reporting date : or

(d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not effect its classification. All other liabilities shall be classified as non-current.

2.07 Property, plant and equipment (PPE)

Property, plant and equipment are stated at historical cost less accumulated depreciation and cumulative impairment. Historical cost includes expenditure that is directly attributable to acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Cost includes expenditure that is directly attributable and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

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Infrastructure Private Limited

Depreciation on assets has been provided on Straight line basis at the useful lives specified in the Schedule II of the Companies Act, 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions.

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

For transition to IndAS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 01, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

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

2.08 Intangible assets

a) Rights under Service Concession Arrangements

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

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

The cost incurred for work beyond the original scope per Concession agreement (normally referred as "Change of Scope") is capitalized as intangible asset under development as and when incurred. Reimbursement in respect of such amounts from NHAI/State authorities are reduced from the carrying amount intangible assets to the extent of actual receipts.

Extension of concession period by the authority in compensation of claims made are capitalised as part of Toll Collection Rights at the time of admission of the claim or when there is a contractual right to extension at the estimated amount of claims admitted or computed based on average collections whichever is more evident.

Any Viability Gap Funding (VGF) in the form of equity support in connection with project construction is accounted as a receivable and is adjusted to the extent of actual receipts.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

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

Amortisation of intangible assets

Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortisation method prescribed under Schedule II to the Companies Act, 2013. Under the revenue based method, amortisation is provided based on proportion of actual revenue earned till the end of the year to the total projected revenue from the intangible asset expected to be earned over the concession period. Total projected revenue is reviewed at the end of each financial year and is adjusted to reflect the changes in earlier estimate vis-a-vis the actual revenue earned till the end of the year so that the whole of the cost of the intangible asset is amortised over the concession period.

2.09 Investments

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

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

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. The determination of carrying amount of such investments is done on the basis of weighted average cost of each individual investment.

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

2.10 Borrowing costs

Borrowing costs include interest calculated using the effective interest method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for acquisition, construction or production of qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

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2.11 Earnings per share

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

2.12 Income taxes

The income tax expense or credit for the year is the tax payable on current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates, positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset when it is highly probable that future economic benefit associated with it will flow to the entity.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However deferred income tax is not accounted if it arises from the initial recognition of an asset or liability that at the time of the transaction affects neither the accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset/liability is realised or settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and deferred tax liabilities are offset, when the entity has a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same authority.

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

2.13 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:
(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

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

The recoverable amount is the higher of the fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimated future cash flows have not been adjusted.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no

2.14 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognsied as an asset if it is virtually certain that the reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed in notes in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or a present obligation arising from past events, when no reliable estimate is possible . Contingent assets are disclosed in the financial statements where an inflow of economic benefits are probable.

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2.15 Financial Instruments

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

a) Financial Assets

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

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

• The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

• The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

• The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

b) Financial Liabilities

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

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

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

Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

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

c) Impairment of financial assets (Expected Credit Loss Model)

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset and financial guarantees not designated at FVTPL

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract/agreement and all the cash flows that the Company expects to receive (i.e.. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument, through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the life-time expected credit losses if the credit risk on that financial instrument has increase significantly since initial recognition. If the credit risk has not increased significantly, the Company measures the loss allowance at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the life-time cash shortfalls that will result if the default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of a change in the amount of the expected credit loss. To achieve that, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

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Infrastructure Private Limited

2.16 Insurance claims

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

2.17 Claims

Claims against the Company not acknowledged as debts are disclosed under contingent liabilities. Claims made by the company are recognised as and when the same is approved by the respective authorities with whom the claim is lodged.

2.18 Commitments

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

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for

(ii) Uncalled liability on shares and other investments partly paid

(iii) Funding related commitment to subsidiary, associate and joint venture companies and

(iv) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.19 Employee Benefit

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

i. Short term Employee Benefit

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

ii. Post employment benefits

(a) Defined contribution plans:

The Company's superannuation scheme and State governed provident fund linked with employee pension scheme are defined contribution plans. The contribution paid/ payable under the scheme is recognised during the period in which the employee renders the

(b) Defined benefit plans:

The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities.

(c) Other long term Employee Benefit

The obligation for other long term employee benefits such as long term compensated absences, liability on account of Retention Pay Scheme are recognised in the same manner as in the case of defined benefit plans as mentioned in (ii)(b) above.

As per report our report of even date

For GIANENDER & ASSOCIATES
Firm's Registration No. 04661N
Chartered Accountants

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Manju Agrawal
(Partner)
Membership No.: 083878
Place : N. Delhi
Date : 13/4/2018

For and on behalf of the Board of Directors

Rahul Dhandhania
Director
DIN 00647088

Shiv Prakash Kedia
Director
DIN 01404692

Naina Malviya
Company Secretary
M.No. : A - 40725

Guruvayoor Infrastructure Private Limited

Guruvayoor Infrastructure Private Limited
Notes to financial statements for the Year ended March 2018

(Rs. in Lakhs)

3 Property, plant and equipment

Particulars	Cost or Deemed cost				Accumulated depreciation and impairment				Carrying Amount
	Balance as at April 1, 2017	Additions	Disposals	Balance at March 31, 2018	Balance as at April 1, 2017	Depreciation expense	Disposals	Balance at March 31, 2018	As at March 31, 2018
Property plant and equipment									
Land (Freehold)	-	-		-	-			-	-
Computer (Hardware and Sofware)	0.61	1.91		2.52	0.14	0.51		0.65	1.87
Plant & Machinery	11.68	51.62		63.31	1.72	2.24		3.96	59.34
Office Equipments	15.99	1.53		17.52	7.72	3.02		10.73	6.79
TMS - ETC	38.05	-		38.05	5.58	7.23		12.81	25.24
Furniture & Fixtures	2.36	1.10		3.46	0.56	0.38		0.94	2.51
Total	**68.69**	**56.16**	**-**	**124.85**	**15.72**	**13.38**	**-**	**29.10**	**95.75**

PREVIOUS YEAR

Particulars	Cost or Deemed cost				Accumulated depreciation and impairment				Carrying Amount
	Balance as at April 1, 2016	Additions	Disposals	Balance at March 31, 2017	Balance as at April 1, 2016	Depreciation expense	Disposals	Balance at March 31, 2017	As at March 31, 2017
Property plant and equipment									
Land (Freehold)		-		-				-	-
Computer (Hardware and Sofware)	0.22	0.39		0.61	0.11	0.03		0.14	0.48
Plant & Machinery	10.80	0.88		11.68	0.60	1.12		1.72	9.96
Office Equipments	10.05	5.94		15.99	3.64	4.07		7.72	8.27
TMS - ETC		38.05		38.05		5.58		5.58	32.47
Furniture & Fixtures	2.07	0.28		2.36	0.28	0.28		0.56	1.79
Total	**23.15**	**45.54**	**-**	**68.69**	**4.64**	**11.08**	**-**	**15.72**	**52.97**

4 Intangible Assets

Particulars	Cost or Deemed cost				Accumulated depreciation and impairment				Carrying Amount
	Balance as at April 1, 2017	Additions	Disposals	Balance at March 31, 2018	Balance as at April 1, 2017	Depreciation expense	Disposals	Balance at March 31, 2018	As at March 31, 2018
Rights under service concession arrangements	66,132.81			66,132.81	5,164.55	3,300.35		8,464.90	57,667.91
Total	**66,132.81**	**-**	**-**	**66,132.81**	**5,164.55**	**3,300.35**	**-**	**8,464.90**	**57,667.91**

PREVIOUS YEAR

Particulars	Cost or Deemed cost				Accumulated depreciation and impairment				Carrying Amount
	Balance as at April 1, 2016	Additions	Disposals	Balance at March 31, 2017	Balance as at April 1, 2016	Depreciation expense	Disposals	Balance at March 31, 2017	As at March 31, 2017
Rights under service concession arrangements	65,218.17	914.63		66,132.81	2,494.95	2,669.60		5,164.55	60,968.26
Total	**65,218.17**	**914.63**	**-**	**66,132.81**	**2,494.95**	**2,669.60**	**-**	**5,164.55**	**60,968.26**

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Guruvayoor Infrastructure Private Limited

(Rs. in Lakhs)

5 Investment Property

Particulars	As at March 31, 2018	As at March 31, 2017
Immovable Property-Land	4.85	4.85
Total	**4.85**	**4.85**

6 Other Financial asset

Particulars	As at March 31, 2018	As at March 31, 2017
Advances to Related Parties:		
KMC Constructions Limited -Secured Advance	904.70	807.77
(Advance given to KMC Constructions Limited is in lieu of 4 nos Bank Guarantees of Rs 5 crores each, aggregating to Rs 20 crs provided by KMCCL to IDFC Bank Limited on behalf of Guruvayoor Infractructure Private Limited in lieu of creation of Debt Service Reserve Account in terms of the financing agreements executed with the secured lenders)		-
Total	**904.70**	**807.77**

7 Other Non Current Assets

Particulars	As at March 31, 2018	As at March 31, 2017
Capital Advance to KMC Constructions Limited - Others	405.37	385.48
Security Deposits	14.24	14.20
Deferred expense on Advance to KMCIL	1,095.30	1,192.23
Total	**1,514.91**	**1,591.91**

8 Current Investments

Particulars	As at March 31, 2018	As at March 31, 2017
Investments in Mutual Funds - Quoted		
IDFC-Cash Fund- - Growth - Direct Plan (FV -1000)	152.63	-
IDFC Corporate Bond Fund - Direct Plan - Growth (FV -10)	2,685.57	1,400.60
IDFC Corporate Bond Fund-Regular Plan-Growth (FV-10)	-	1,117.15
IDFC Credit Opportunities Fund - Direct Plan Growth (FV - 10)	2,711.55	2,522.78
IDFC Ultra Short Term Fund - Growth -Direct Plan(FV - 10)	3,716.93	3,413.77
IDFC super Saver Income Fund-STP Growth (FV - 10)	1,919.49	2,276.48
IDFC Super Saver Income-Short TermDirect Plan (FV -10)	494.87	-
IDFC Banking & PSU Debit Fund - Direct Plan Growth (FV - 10)	2,069.13	-
Total	**13,750.17**	**10,730.78**

*FV means Face Value
**The above Investments are made in "Permitted Investments" as per Escrow and Loan Agreements.

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Guruvayoor Infrastructure Private Limited

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Notes to financial statements for the Year ended March 2018

(Rs. in Lakhs)

9 Trade Recievable

Particulars	As at March 31, 2018	As at March 31, 2017
Sundry Debtors (Unsecured, considered good)		
For a period exceeding 6 months	6,774.44	5,080.65
Others	927.46	829.40
Total	**7,701.91**	**5,910.05**

10 Cash and Cash Equivalents

Particulars	As at March 31, 2018	As at March 31, 2017
Cash on Hand	76.90	70.42
Balances with Banks - in current accounts	462.38	289.60
Total	**539.28**	**360.02**

11 Current Tax Asset (Net)

Particulars	As at March 31, 2018	As at March 31, 2017
TDS/TCS Receivable	19.92	14.15
	19.92	**14.15**
Current tax liabilities		
Income tax payable	-	-
Total	**19.92**	**14.15**

12 Other Current Assets

Particulars	As at March 31, 2018	As at March 31, 2017
Prepaid Expenses	34.79	32.41
Advance for COS	18.83	-
Receivable - NHAI (Change of Scope - Signal Systems)	35.52	35.52
Interest receivable From KMCCL (VUP Advance)	131.75	-
Other Advances	7.62	5.63
Advance to Vendors for Major Maintenance Work	5.46	500.00
Total	**233.97**	**573.55**

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Guruvayoor Infrastructure Private Limited

13 **Equity Share Capital**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
SHARE CAPITAL		
AUTHORISED:		
169,000,000 (PY 169,000,000) Equity Shares of Rs.10/- each	16,900.00	16,900.00
	16,900.00	16,900.00
ISSUED, SBSCRIBED & PAID UP:		
168,940,000 (PY 168,940,000) Equity Shares of Rs.10/- each allotted as fully paid	16,894.00	16,894.00
Total	16,894.00	16,894.00

Foot Notes:

i. Reconciliation of the number of shares outstanding at the beginning and as on 31st March' 2018

(Rs. in Lakhs)

Equity Share

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	Amount in Rs.	Number	Amount in Rs.
Number of equity shares at the beginning of the Year	168,940,000	16,894.00	168,940,000	16,894.00
Equity shares issued during the year				-
Less : Shares bought back during the year			-	-
Number of equity shares at the end of the Year	168,940,000	16,894.00	168,940,000	16,894.00

ii. Terms and rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.
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. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii. Share in the Company held by the holding company (including associate companies) and fellow subsidiary Company :

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Bharat Road Network Limited (holding company since 28.03.2018)	124,998,606	73.99	-	-
KMC Infratech Road Holdings Limited (Holding Company till 28.03.2018)			86,159,900	51.00

iiia) During the year KMC Infratech Road Holdings Limited has transferred its shareholding of 24.99% i.e 42,218,606 no. of shares with effect from 28th March 18 to Bharat Road Network Limited . Subsequent to this transfer, the shareholding of Bharat Road Network Limited has increased from 49% to 73.99% in Guruvayoor Infrastructure Private Limited (GIPL) and thereby Bharat Road Network Limited has become the holding company of Guruvayoor Infrastructure Private Limited.

iv. Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
KMC Infratech Road Holdings Limited (Holding Company till 28.03.2018)	43,941,294	26.01	86,159,900	51.00
Bharat Road Network Limited (Holding Company since 28.03.2018)	124,998,606	73.99	82,780,000	49.00

14 **Other Equity**

Particulars	As at March 31, 2018	As at March 31, 2017
Surplus in profit and loss account	(14,475.88)	(9,063.92)
Total	(14,475.88)	(9,063.92)

Movement in other equity:

Particulars	As at March 31, 2018	As at March 31, 2017
Statement of Profit and Loss		
Balance at beginning of the period	(9,063.92)	(8,071.46)
Net profit for the period / year	(5,408.25)	(992.45)
Other Comprehensive Income / (Expense)	(3.71)	(0.02)
Transfer from / (to) Debenture Redemption Reserves		
Transfer to Capital Redemption Reserves		
Balance at end of the period	(14,475.88)	(9,063.92)

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15 Long-term borrowings

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Debentures (Unsecured)		
Debentures - Unsecured (Un-quoted)		
Bharat Road Network Ltd		
- 5,71,29,700 Optionally Convertible Participative Interest bearing Debentures (OCPID) of Face Value Rs.10/- each	5,712.97	-
KMC Infratech Road Holdings Ltd		
- 5,71,29,700 Optionally Convertible Participative Interest bearing Debentures (OCPID) of Face Value Rs.10/- each	-	5,712.97
SREI Infrastructure Finance Ltd		
- 7,31,02,100 Optionally Convertible Participative Interest bearing Debentures(OCPID) of Face Value Rs.10/- each	7,310.21	7,310.21
[Note: During the year KMC Infratech Road Holdings Ltd. has transferred 5,71,29,700 no of Optionally Convertible Participative Interest bearing Debentures(OCPID) of Face Value Rs.10/- each to Bharat Road Network Limited].		
Total Debentures Unsecured (Unquoted)	13,023.18	13,023.18
Debentures - Secured (Un-quoted)		
From Others		
(i) 5000 (PY : 5000) Non- Convertible Debentures of Face Value of Rs. 97,540/- (PY - Rs. 98,580/-) each issued to India Infradebt Limited.Interest rate 11%	4,877.00	4,929.00
Less: Current maturties of Debentures - Face Value of Rs. 8,080/- (PY - Rs. 1040/-)	404.00	52.00
	4,473.00	4,877.00
(ii) 50000 (PY : 50000) Non- Convertible Debentures of Face Value of Rs. 9772.60/- (PY -Rs. 9871.20/-) each issued to India Infradebt Limited.Interest rate 11%	4,886.30	4,935.60
Less: Current maturties of Debentures - Face Value of Rs. 812.40 /- (PY - Rs. 98.60/-)	406.20	49.30
	4,480.10	4,886.30
	21,976.28	22,786.48
Secured Loans		
From Banks - IDFC Bank Limited	33,416.74	33,717.32
Less: Current Maturities of Term Loan	2,793.90	349.24
	30,622.84	33,368.09
Total	52,599.12	56,154.57

Terms of issue of OCPID:

A Interest:

1. The OCPID carries fixed interest of 12% p.a. However, interest along with cumulative deficit, if any, shall only accrue and be payable in the year the Company has sufficient Surplus Cash Flow.
2. Variable Interest will be such amount over and above the fixed interest to make the yield on the OCPID @ 16%. Total Interest means Fixed Interest + Variable Interest
3. The total interest shall only accrue and will be payable when the company has Surplus Cashflows
4. Final Rate of or amount of interest payable for the year shall be decided every year at the end of the Financial Year (not later than 30 days from the closure of the financial year) based on the Surplus Cash flows of the issuer subject to maximum of 16% cumulative interest.
5. Surplus Cash flows means Cash flow after making all the provisions/appropriations as per the Concession Agreement and Financing Documents to be ascertained on year to year basis.
6. Financing Documents means documents executed in respect of term Loan availed from the Senior Lender M/s IDFC Bank Limited (Previously IDFC Limited) and India Infradebt Limited

B. Tenure, Conversion and Redemption:

1. Tenure of OCPID will be 10 years(Extendable for a further period of 5 years at the option of holders) from the date of Allotment.
2. OCPID will be redeemed at the end of 10 years from the date of allotment or at the end of extended period as the case may be or anytime during the tenure with mutual consent. OCPID holder will have the option to convert each OCPID into equity shares of the issuer at par value (i.e. at the face value of the equity share), during the currency of the OCPID, subject to a notice period of 3 months, in one or more tranches in proportion to the shareholding of the KMC and its Associates and SREI and its associates.

C. Redemption Price

OCPID will be redeemed at par. It will only be entitled for maximum 16% cumulative interest subject to availability to surplus cash flows.

D. RIGHT OF DEBENTURE HOLDERS - OCPID

The Debentureholders shall be entitled to redemption amount on the due dates. Their claims shall remain unsecured and subordinate to the claims of all other creditors. In the event of winding up, their claims will be entertained after the claims of other persons falling in the same category of claimants as per the provisions of the Companies Act, 2013 and other claimants with relation to the winding up.

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Terms of issue of Secured Non Convertible Debentures (NCD):

A. Interest:

1. Interest is payable at monthly rest, on the last day of each calender month on the Principal amount of the outstanding NCDs. The NCDs carries interest at a fixed interest rate of 11% p.a which shall fall due for reset after expiry of four years from its deemed date of allotment.

2. The rate of Interest shall include applicable interest tax or other statutory levy, if any on the principal amount of the debenture remaining outstanding each day.

B. Tenure, Conversion, Repayment and Redemption:

NCDs have been issued in Two Tranches. The Final Maturity date of NCDs shall not exceed 31st March 2025. The redemption of NCD shall take place in accordance with the Redemption Schedule annexed to the Subscription Agreement dated 27th June 2014 for the first Tranche and 06th August 2014 for the second tranche. The redemptions of the NCDs issued under both the tranches shall be in 43 structured quarterly installments with the redemption commencing from September 30, 2014 and final redemption taking scheduled on March 31, 2025

C. Security Details

I. The Loans together with interest, Liqidated damages, costs, charges, expenses and all other moneys whatsoever payable by the company are secured/procured by the following security interest, except project assets to be created in favour of the lenders or the security trustee, to be appointed for the benefit of Lenders in a form and manner satisfactory to the lenders:-

1. A first charge by way of hypothecation of entire moveable assets of the company, both present and future, including movable plant and machinary, machinary spares , tools and accessories, furniture, fixtures, vehicles and all other movable assets both present and future.

2. A first charge over all accounts of the company including the Escrow account that may be opened in accordance with this agreements or any of the other project agreements and all cash flows from the project as and when they arise, toll collections, receivables and permitted investments or other securities

3. A first charge on all intangibles including but not limited to goodwill and uncalled capital, present and future and a charge on the uncalled capital

4. A first Charge on the Debt Service Reserve (DSR) and any other reserves and other bank accounts of the company wherever maintained.

5. Pledge of shares held by the sponsor in dematerialised form on the equity share capital of the company aggregating to 51% of the total paid up equity share capital of the company. The shares to be pledged shall be free from any restrictive covenants/ lien or other encumbrance under any contract/ arrangements including share holder agreement/ joint venture agreement/ financing arrangement with regard to pledge/ transfer of the shares including transfer upon enforcement of the pledge.

6. An unconditional irrevocable, joint and several corporate guarantee from KMC and KMCIL to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of their aggregate shareholding proportion in the Company along with its Associates if any.

7. An unconditional irrevocable Sponsors' Undertaking from SREI to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of its aggregate shareholding proportion along with its Associates if any.

The Shareholding Proportion for meeting the shortfall in terminatiion payment as above is KMC, KMCIL and their Associates and SREI and its Associates in terms of the financing documents executed with the Lenders

II. The Company shall make out a good and marketable tiltle to it's properties to the satisfaction of lenders and comply with all such formalities as may be necessary or required for the said purpose.

III. In addition , notwithstanding anything contained herein and in the financing agreements for the Existing Facility, the terms of Tripartite Agreement shall be applicable to all the parties , including the Existing lenders, the Company and various lenders' agents (Viz., escrow agent, security trustee/ debenture trustee, as may be applicable)

Secured Loan From Others (IDFC BANK Limited)

Security Details

I. The Loans together with Interest, Liquidated Damages, Costs, Charges, Expenses and all other Moneys Payable by the company shall be secured/ Procured by the following security Interest Except Project Assets:

1. A first charge by way of hypothecation of entire movable assets of the Company, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future;

2. A first charge over all accounts of the Company, including the Escrow Accounts, that may be opened in accordance with the agreement, or any of the other Project Agreements and all cash flows from the Project as and when they arise, toll collections, receivables and permitted investments or other securities;

3. A first charge on all intangibles including but not limited to goodwill and uncalled capital, present and future and a charge on the uncalled capital ;

4. A first charge on the Debt Service Reserve (DSR) and any other reserves and other bank accounts of the Company wherever maintained;

5. Pledge of shares held by the Sponsor in dematerialized form on the equity share capital of the Company aggregating to 51% of the total paid up equity share capital of the Company. The shares to be pledged shall be free from any restrictive covenants/lien or other encumbrance under any contract/arrangement including shareholder agreement/joint venture agreement/financing arrangement with regard to pledge/transfer of the shares including transfer upon enforcement of the pledge.

6. An unconditional irrevocable, joint and several corporate guarantee from KMC and KMCIL to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of their aggregate shareholding proportion in the Company along with its Associates if any.

7. An unconditional irrevocable Sponsors' Undertaking from SREI to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of its aggregate shareholding proportion along with its Associates if any.

The Shareholding Proportion for meeting the shortfall in terminatiion payment as above is KMC, KMCIL and their Associates and SREI and its Associates in terms of the financing documents executed with the Lenders

II. The Company shall make out a good and marketable tiltle to it's properties to the satisfaction of IDFC and comply with all such formalities as may be necessary or required for the said purpose.

Repayment Terms : The Term Loan is repayable in unequal 44 quarterly installments ranging from 0.05% per year of the loan amount to 18% per year of the loan amount divided equally in quarterly installments comprising in relevant related year. The final repayment date of the loan is 31st March 2025.

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16 Long Term Provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for Major Maintenance	592.88	3,201.35
Gratuity	7.56	0.39
Total	**600.44**	**3,201.74**

17 Other Financial liabilities - Current

Particulars	As at March 31, 2018	As at March 31, 2017
Current maturities of long-term debt		
Secured Term loan		
Banks - IDFC Bank Limited	2,793.90	349.24
Debentures - Secured (Un-quoted)		
(i) 5000 (PY-5000)Non- Convertible Debentures of Face Value of Rs. 8,080/- (PY - Rs. 1,040/-) each issued to India Infradebt Limited.Interest rate 11%	404.00	52.00
(ii) 50000 (PY- 50000) Non- Convertible Debentures of Face Value of Rs. 812.40/- (PY -Rs. 98.60/-) each issued to India Infradebt Limited.Interest rate 11%	406.20	49.30
Negative Grant (Refer Foot Note)	16,000.00	12,000.00
Interest accrued but not due on Term Loans	145.40	166.37
Interest accrued but not due on NCD	2.94	2.97
Payables to related party/Others		
KMC Constructions Limited	139.19	619.53
Srei Infrastructure Finance Limited	18.41	18.41
Bharat Road Network Limited	285.41	-
Interest accrued & due on OCPID (Optionally Convertible Participative Interest bearing Debentures)	4,745.17	-
Security Deposits Liab	50.79	43.67
Other liabilities	721.35	462.32
Total	**25,712.76**	**13,763.81**

Footnote 1 : Negative grant due as per the Concession Agreement with NHAI

* The Scheduled Project Completion Date (SPCD) of the Company's project vide Supplementary Agreement dated 23.11.2009 was extended from 21.03.2009 to 21.12.2010 (i.e. for 21 months) and subsequently Concession period was also correspondingly extended from (22.09.2006 -21.09.2026) to (22.09.2006 - 21.06.2028) i.e. also upto 21 month. Further the company requested NHAI for deferment of 2nd & subsequent installments of Negative Grant payable to NHAI. NHAI approved Deferement of Negative Grant subject to payment of Interest on deferred amount @ Bank Rate + 2% and signing of Supplementary Agreement for having no claim on account of deferment. The Company has not accepted conditional deferment proposal of NHAI and protested against levy of interest and related supplementary agreement. The matter is still under consideration of NHAI. In the absence of agreement with NHAI, Liability for Negative Grant has been acounted for as current liability excluding Interest thereon as NHAI Project Director and Regional Office, NHAI (Chennai) has recommended for deferrment of negative grant without levy of any interest to their Headquarters.

18 Other Current liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Statutory Dues		
ESI Payable	1.94	-
Professional Tax Payable	-	-
TDS Payable	583.77	17.81
Works Contract tax payable	-	46.29
Service Tax Payable	-	-
Labour Welfare Cess	504.90	-
GST Payable	-	-
EPF Payable	12.26	-
Total	**1,102.86**	**64.11**

19 Short term Term Provisions

Particulars	As at March 31, 2018	As at March 31, 2017
Gratuity	0.07	
Total	**0.07**	-

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(Rs. in Lakhs)

20 Revenue From Operations

Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Sale of Services		
Toll Collection	11,370.91	9,918.72
Free Passes - Government of Kerala	1,791.83	1,618.23
Other Operating Income	267.03	-
Revenue from Operations	**13,429.78**	**11,536.96**

21 Other Income

Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Gain from Mutual Fund	772.38	708.78
Contract Works Receipts	-	50.05
Miscellaneous Income	4.19	3.70
Interest Received	1.58	1.01
Interest Income from KMCCL	131.75	-
Unwinding Interest - Secured Advance	96.93	86.55
	-	
Total	**1,006.84**	**850.09**

22 Employee Benefits Expenses

Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Salary & Allowances	296.49	57.18
Gratuity	3.53	0.02
Employee Provident Fund	10.83	-
Employee State Insurance	5.51	-
Staff Welfare	17.68	0.69
Total	**334.05**	**57.89**

23 Finance Cost

Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Interest on Loans	4,424.62	4,703.18
Interest on VUP Advance	106.44	-
Interest on Optionally Convertible Participative Interest bearing Debentures	5,272.41	-
Other Borrowing Cost		
Unwinding of Interst on MMR	387.36	299.74
Amortisation of Transaction Cost - IDFC Loan	48.65	43.87
Other charges	-	-
Total	**10,239.48**	**5,046.79**

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(Rs. In lakhs)

24 Depreciation and Amortisation

Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Depriciation - Tangible assets	13.38	11.08
Amortisation - Intangible assets	3,300.35	2,669.60
Total	3,313.73	2,680.68

25 Other Expenses

Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Advertisement Expenses	0.77	0.53
Auditors Remuneration	11.05	7.45
General Administrative & Misc Expenses	33.22	41.96
Hire Charges	6.92	11.26
Insurance	48.41	41.57
Negative Grant	4,000.00	4,000.00
Office Expenses	15.40	13.53
Power and Fuel	90.74	71.82
Professional & Legal Fees	474.56	82.74
Provision for Major Maintenance Expenses	656.50	585.64
Contract Work Expenses	-	50.05
Rates & Taxes	1.55	2.79
Rent - Guest House for Staff	6.54	-
Repairs to Buildings	7.61	2.64
Repairs to Machinery	4.51	1.57
Route Operations and Maintenance Costs	99.64	23.93
Tolling Agency fees & Collection Expenses	395.05	564.38
Vehicle Running and Maintenance Costs	6.77	5.72
Expenses Writeoff	1.45	-
Amortisation - Deferred Expense Secured Advance	96.93	86.55
Total	5,957.61	5,594.13

Footnote:

Pending the execution of Supplimentary Agreement with NHAI for deferment of date of commencement of 2nd and subsequent installments of Negative Grant by 21 Months (From 21- Sep-2014 to 21 - Jun- 2016),the liability for Negative Grant installment of Rs.4,000 lakhs, falling due in September 2017, as per the original schedule has been accounted for.

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26 Financial Instruments

A Disclosure of Financial Instruments by Category

(Rs. in Lakhs)

As at March 31, 2018	Note no.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortized cost	Total	Level 1	Level 2	Level 3	Total
Financial asset									
Other Non Current Financial Asset	6			904.70	904.70			904.70	904.70
Investments	8	13,750.17			13,750.17	13,750.17			13,750.17
Trade receivable	9			7,701.91	7,701.91			7,701.91	7,701.91
Cash and cash equivalents	10			539.28	539.28			539.28	539.28
Total Financial Asset		**13,750.17**	**-**	**9,145.88**	**22,896.06**	**13,750.17**	**-**	**9,145.88**	**22,896.06**
Financial liability									
Long-term borrowings	15			52,599.12	52,599.12			52,599.12	52,599.12
Other Current Financial Liabilities	17			25,712.76	25,712.76			25,712.76	25,712.76
Total Financial Liabilities		**-**	**-**	**78,311.88**	**78,311.88**	**-**	**-**	**78,311.88**	**78,311.88**

* The carrying amount of financial instruments carried at amortized cost are a reasonable approximation of fair value.

As at March 31, 2017	Note no.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortized cost	Total	Level 1	Level 2	Level 3	Total
Financial asset									
Other Non Current Financial Asset	6			807.77	807.77			807.77	807.77
Investments	8	10,730.78	-	-	10,730.78	10,730.78		-	10,730.78
Trade receivable	9	-		5,910.05	5,910.05			5,910.05	5,910.05
Cash and cash equivalents	10			360.02	360.02			360.02	360.02
Total Financial Asset		**10,730.78**	**-**	**7,077.84**	**17,808.61**	**10,730.78**	**-**	**7,077.84**	**17,808.61**
Financial liability									
Long-term borrowings	15	-		56,154.57	56,154.57			56,154.57	56,154.57
Other Current Financial Liabilities	17	-		13,763.81	13,763.81			13,763.81	13,763.81
Total Financial Liabilities		**-**	**-**	**69,918.38**	**69,918.38**	**-**	**-**	**69,918.38**	**69,918.38**

*** The carrying amount of financial instruments carried at amortized cost are a reasonable approximation of fair value.**

B Measurement of fair values

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

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C Valuation techniques

The following methods and assumptions were used to estimate the fair values

The carrying amount of current financial assets and current trade and other payables measured at amortised cost are considered to be the same as their fair values, due to their short term nature.

The fair value of Mutual Funds is based on quoted prices.

The carrying value of Rupee Term Loan and Loan from Related Party approximate fair value as the instruments are at prevailing market rate.

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27 Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A) Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i Foreign Currency Risk

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

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

ii Interest rate risk

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

The Interest risk arises to the company mainly from Long term borrowings with variable rates. The company measures risk through sensitivity analysis.

Currently, Lending by Commercial Banks is at variable rate only, which is the inherent business risk.Lending by India Infradebt Limited in the form of debentures is at fixed rate ,hence there is no interest rate risk in secured debenture.

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

(Rs. in Lakhs)

Particulars	31.03.2018	31.03.2017	31.03.2016
Senior Debt from Banks - Variable rate borrowings	33,416.74	33,717.32	33,690.92

Sensitivity analysis based on average outstanding Senior Debt

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Increase or decrease in interest rate by 50 basis point	167.84	168.52

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

iii Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The company is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss.
The company measures risk through sensitivity analysis.
The company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

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

Particulars	Note No.	31.03.2018	31.03.2017	31.03.2016
Investments in Mutual Funds		13,750.17	10,730.78	6,538.99

Sensitivity Analysis

Price Risk Analysis	Impact on profit/ loss after tax	
	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Increase or decrease in NAV by 2%	489.62	345.40

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

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B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.
The company is exposed to liquidity risk due to bank borrowings and trade and other payables.
The company measures risk by forecasting cash flows.
The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables includes contractual liabilities of only outstanding financial liabilitiese.The contractual maturity is based on the earliest date on which the company may be required to pay.

The following are the contractual maturities of financial liabilities **(Rs. in Lakhs)**

As at March 31, 2018	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Long-term borrowings	56,203.23	3,604.10	4,955.62	20,273.21	27,370.30
Other Current Financial Liabilities	22,108.66	22,108.66			
Derivative Financial Liability	NIL	NIL	NIL	NIL	NIL

As at March 31, 2017	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Long-term borrowings	56,605.10	450.54	3,604.10	17,570.18	34,980.28
Other Current Financial Liabilities	13,313.29	13,313.29			
Derivative Financial Liability	NIL	NIL	NIL	NIL	NIL

C) Credit risk

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

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(Rs. in Lakhs)

28 Disclosures pursuant to Ind AS 1 - "Presentation of Financial Statements"

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital.

Particular	As at March 31, 2018	As at March 31, 2017
Debts	61,096.73	56,774.45
Less: Cash and Bank Balances	539.28	360.02
Net Debt (A)	60,557.46	56,414.43
Equity & Other equity (B)	2,418.12	7,830.08
Net Debt / Total Capital (A/B)	**25.04**	**7.20**

Footnote: Debts includes long term borrowings including its current maturities and interest accured.

29 The Company does not have any transaction to which the provision of IND AS-2 relating to Valuation of Inventories applies.

30 Disclosure pursuant to Ind AS 11 - "Construction Contracts"

Amount of contract revenue recognised in the year : Rs.Nil /-

Method used to recognise the constructions revenue - Work excuted during the year and remaining to be executed

31 Disclosure pursuant to Ind AS 12 - "Income taxes"

The Company does not have taxable income and hence provision for current tax has not been made. The company is eligible for deduction under section 80IA of Income Tax Act and the tax holiday period of the company's project falls within the concession period of the company as defined in Section 80IA. Since tax on Timing difference between Accounting Income and Taxable Income that arise during the year is reversing during such tax holiday period. No deferred tax asset/ liability arises and accordingly no provision is made in the accounts.

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

(i) Defined contribution plan:

An amount of Rs.10.83 lakh /- (previous year : `Nil) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense (Note 22) in the Statement of Profit and loss.

(ii) Defined benefit plans:

Defined-Benefits Plans: The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount) and leave encashment. Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (immediately before retirement). The gratuity scheme covers substantially all regular employees. Commitments are actuarially determined at year-end. The actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to Statement of Profit and loss.

(Rs. in Lakhs)

Particulars	Gratuity	
	As at Mar 31, 2018	**As at Mar 31, 2017**
Change in the present value of the defined benefit obligation is as follows:		
Opening defined benefit obligation	0.39	0.35
Interest cost	0.24	0.01
Current services cost	3.30	0.01
Benefits paid		-
Actuarial (gains)/losses on obligation	3.71	0.02
Closing defined benefit obligation	**7.63**	**0.39**
EXPENSE TO BE RECOGNISED IN P & L ACCOUNT	**31st March 2018**	**31st March 2017**
Current Service Cost	3.30	0.01
Interest Cost on benefit obligation	0.24	0.01
Expected return on plan assets	-	-
Net Actuarial (gain) / Loss recognized in the year	3.71	0.02
Past services cost		-
Net Benefit expense	**7.24**	**0.03**

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Summary of actuarial assumptions	Summary of actuarial assumptions	Summary of actuarial assumptions
	31st March 2018	31st March 2017
Mean Financial Assumptions		
Interest Rate for discount per unit per annum	8%	8%
Salary escalation rate per unit per annum	10%	10%
Expected rate of return on plan Assets per unit per annum	14%	N.A
Average balance service	28.7	22.88
Retirement/ Superannuation Age	62 years	60 years

SENSITIVTY ANALYSIS	31st March 2018	31st March 2017
	1% INCREASE	1% INCREASE
A Effect of 1% Change in the Assumed Discount Rate	7.03	2.63
1. Effect on DBO	7.63	2.79
A Effect of 1% Change in the Assumed Salary Rate	7.98	2.80
2. Effect on DBO	7.63	2.79
A Effect of 1% Change in the Assumed Attrition Rate	7.03	2.63
3. Effect on DBO	7.63	2.79
	1% DECREASE	1% DECREASE
A Effect of 1% Change in the Assumed Discount Rate	8.34	2.97
1. Effect on DBO	7.63	2.79
A Effect of 1% Change in the Assumed Salary Rate	7.25	2.77
2. Effect on DBO	7.63	2.79
A Effect of 1% Change in the Assumed Attrition Rate	8.34	2.97
3. Effect on DBO	7.63	2.79

33 Disclosure pursuant to Ind AS 23 "Borrowing Costs"

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

34 Disclosure pursuant to Ind AS 33 "Earnings per share" **(Rs. in Lakhs)**

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

Particulars		2017-18	2016-17
Basic earnings per equity share: Profit for the year attributable to owners of the Company for calculating basic earnings per share (`)	A	(5,411.96)	(992.46)
Weighted average number of equity shares outstanding for calculating basic earnings per share	B	168,940,000	168,940,000
Basic earnings per equity share (`)	A / B	**(3.20)**	**(0.59)**
Diluted earnings per equity share (`)	A / B	**(3.20)**	**(0.59)**

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

a) Nature of provision:

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

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

As per industry practice, the periodic maintenance is expected to occur after 5-7 years. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually.

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b) Movement in provisions:

Particulars	As at 31 March 2018	As at 31 March 2017
Opening balance	3,201.35	2,477.22
Additional provision	656.50	585.64
Utilised	3,652.33	161.26
Unused amounts reversed		
Unwinding of discount and changes in discount rate	387.36	299.74
Closing balance	**592.88**	**3,201.35**

c) Contingent Liabilities

Particulars	As at 31 March 2018	As at 31 March 2017
Claims against the Company not acknowledged as debt	4,853.09	98.94
Total	**4,853.09**	**98.94**

36 Payments to Auditor (Including Service Tax)

Particulars	As at 31 March 2018	As at Mar 31, 2017
	Rupees	Rupees
(a) Statutory Audit Fee	6.60	5.92
(b) Other Services (Opinion / Certification Fees)	3.84	0.29
(c) For taxation matters	0.61	1.24
(d) Income Tax Filings		-
Total	11.05	7.45

37 There have been no claimed transactions during the year with Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act 2006.

38 Foreign Currency Tranactions

(i) Expenditure in Foreign Currency	Nil	(Prevous Year Nil)
(ii) CIF value of Import	Nil	(Prevous Year Nil)
(iii) FOB value of Export	Nil	(Prevous Year Nil)
(iv) Earnngs in Foreign Exchange	Nil	(Prevous Year Nil)
(v) Remittance in Foreign Exchange	Nil	(Prevous Year Nil)

39 Disclosure pursuant to Ind AS 36 "Impairment of Assets"

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

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

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

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Guruvayoor Infrastructure Private Limited

Guruvayoor Infrastructure Private Limited
Notes to financial statements for the Year ended March 2018

41 Related Party Disclosures

a)

Names of Related Parties	Nature of Relationship
Bharat Road Network Limited	Ceases to be investors having significance influence and became holding company w.e.f 28.03.2018.
Srei Infrastructure Finance Limited (SIFL)	Ceasses to be Investors Having Significant Influence w.e.f 14.11.2016
KMC Constructions Limited	Ceases to be Ultimate Holding company and became Investors having significance Influence w.e.f 28.03.2018.
KMC Infratech Limited	Ceases to be Intermediate Holding company and became Investors having significance Influence w.e.f 28.03.2018.
KMC Infratech Road Holdings Limited	Ceases to be Holding company and became Investors having significance Influence w.e.f 28.03.2018.
Rayalseema Expressway Private Limited	Ceases to be Fellow Subsidiary Company w.e.f 28.03.2018
North Malabar Expressway Private Limited	Ceases to be Fellow Subsidiary Company w.e.f 28.03.2018
South Malabar Expressway Private Limited	Ceases to be Fellow Subsidiary Company w.e.f 28.03.2018
Thrissur Expressway Limited	Ceases to be Fellow Subsidiary Company w.e.f 28.03.2018
Simhapuri Expressway Limited	Ceases to be Fellow Subsidiary Company w.e.f 28.03.2018
AB Expressway Limited	Ceases to be Fellow Subsidiary Company w.e.f 28.03.2018
Krishna Arjuna Enterprises	Ceases to be Firm having Significant Influence w.e.f 28.03.2018

b)

Key Managerial Personnel	Nature of Relationship
Mr. Vikarm Reddy	(Ceases to be a director w.e.f 28.03.2018)
Mr. Rajesh S Udupa	(Ceases to be a director w.e.f 28.03.2018)
Mr. Rahul Kumar Dhandhania	Director
Mr. Asim Brijesh Tiwari	Director
Mr. Suraj AV	Chief Operating Officer
Ms. Naina Malviya	Company Secretary

(Rs. in Lakhs)

Details of Related Party transactions and year end outstanding

Name of the Related Party	Nature of Transactions	Transaction for the Year	Balance as on 31st March 2018
KMC Constructions Limited	Advances given	Nil (Nil)	2020.8 (2020.8)
	Repair & Maintenance / Others Payable	Nil (0.16)	101.96 (582.30)
	Contract Works	Nil (46.05)	Nil (Nil)
	Shared Facilities	Nil (40.00)	8.90 (8.90)
	Retention Money Adjusted	Nil (22.61)	Nil (Nil)
	Other Advances Adjusted	Nil (20.15)	65.90 (65,90)
	Mobilisation Advance for Major maintenance Works	Nil (Nil)	9.70 (9.70)
	Retention account for Major maintenance Works	Nil (Nil)	28.33 (28.33)
	Others Receivable	Nil (Nil)	19.89 (Nil)
	Interest Recevable on VUP Advance	131.75 (Nil)	131.75 (Nil)
	Advance for Vehicle Under Pass (VUP)	Nil (Nil)	289.10 (2,89.10)

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KMC Infratech Limited	Reimbursements of Expenses reimbursable - Amount Paid	Nil (0.90)	Nil (Nil)
KMC Infratech Road Holdings Limited	Optionally Convertible Participative Interest bearing Debentures - (OCPID)	Nil (Nil)	Nil (5712.97)
Srei Infrastructure Finance Limited (SIFL) - (ceases to be Investors having significant influence wef 14.11.2016	Shared Facilities paid	NA (15.00)	NA (11.93)
	OCPID	NA (Nil)	NA (7310.21)
	Expenses Reimbursements Outstanding	NA (Nil)	NA (6.48)
Bharat Road Network Limited	Professional/ Consultancy Charges	356.20 (Nil)	274.70 (Nil)
	Interest accrued and due on OCPID	1479.40 (Nil)	1331.46 (Nil)
	PMC Services	58.23 (Nil)	10.71 (Nil)
	Optionally Convertible Participative Interest bearing Debentures - (OCPID)	Nil (Nil)	5712.97 (Nil)
	Reimbursements of Expenses reimbursable - Amount Paid	Nil (24.10)	Nil (Nil)
Krishna Arjuna Enterprises	Major Maintenance works	2989.01 (Nil)	(1.39) (Nil)
	Retention - Krishna Arjuna Enterprises	Nil (Nil)	59.69 (Nil)
	Mobilisation Advance for Major maintenance Works	494.54 (500.00)	5.46 (500.00)

Note 1 Figures in brackets represents Previous Year figures corresponding to current year figures.

42 In the opinion of the Board, the current assets, loans & advances, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

43 There were no litigation pending against the company which could be materially impact its financial position as at the end of the year.

44 Due to Demonitisation Scheme announced by the Government of India, Toll collection was suspended for 23 Days i.e. from 9th November, 2016 to 2nd December, 2016, in accordance with the directives of National Highways Authority of India (NHAI). As per NHAI Circulars dated 29.11.2016 and 06.12.2016, the Company has raised and submitted its claim with NHAI against loss of revenue of the said period .Part of the claim has been approved and received Rs. 267.03 lakhs while balance amount is under process.

45 Previous year figures have been re-grouped, re-classified wherever necessary, to make them comparable with current year figures

As per report our report of even date

For GIANENDER & ASSOCIATES
Firm's Registration No. 04661N
Chartered Accountants

Manju Agrawal
(Partner)
Membership No.: 083878
Place : N-Delhi
Date : 13/11/18

For and on behalf of the Board of Directors

Rahul Dhandhania
Director
DIN 00647088

Shiv Prakash Kedia
Director
DIN 01404692

Naina Malviya
Company Secretary
M.No. : A - 40725