M K P S & ASSOCIATES

CHARTERED ACCOUNTANTS

12, Radhanath Mallick Lane
P.O. : Bow Bazar
Kolkata - 700 012 (W.B.)
Tel. No. : +91 33-22571664
E-mail : parida2004@rediffmail.com
Website : www.mkps.in

INDEPENDENT AUDITORS' REPORT

To The Members of, ORISSA STEEL EXPRESSWAY PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Orissa Steel Expressway Private Limited** ('the company'), which comprises Balance Sheet as at 31st March 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the cash flow statement and the statement of changes in Equity for the year then ended, and a Summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income , cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act as applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making Judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and Completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial Statements that give a true and fair view and are free from materials misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provision 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 under section 143(11) of the Act.

We conducted our audit of the Ind AS 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 Ind AS financial statements are free from material misstatement.

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

MKPS & ASSOCIATES KOLKATA Chartered Accountants that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

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

Emphasis of Matter

We draw attention to Note No. 34 of the Ind AS financial Statements wherein the company has disclosed the fact that the project has been foreclosed on 2nd March 2017 and that the process of determination and settlement of claims is under process.

Our report is not qualified in respect of above matter.

Report on Other Legal and Regulatory Requirements

2. As required by Section 143 (3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 , the Cash Flow Statement and Statement of changes in equity dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder.
   e) In our opinion there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company.
   f) On the basis of the written representations received from the directors as on 31st March 2018 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2018 from being appointed as a directors in terms of section 164(2) of the Act.

MKPS & ASSOCIATES
KOLKATA
Chartered Accountants

g) With respect to the adequacy of the Internal Financial Controls over the financial reporting of the company and the operating effectiveness of such controls , refer to our separate Report in **'Annexure-A'** . our report express an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

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

   i. As informed to us the Company does not have any pending litigations which would impact its financial position;

   ii. The Company has made provision in its financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts including derivative contracts;

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

3. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143 (11) of the Act, we enclosed in the **Annexure-B** a statement on matters specified in paragraph 3 & 4 of the order.

FOR M K P S & ASSOCIATES
Chartered Accountants
FRN.302014E

MKPS & ASSOCIATES KOLKATA Chartered Accountants

Kolkata-700012

Dated: 10th April,2018

CA Sanjaya Kumar Parida
Partner, M.No: 504222

ANNEXURE- 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Orissa Steel Expressway Private Limited** ('the Company') as of 31st March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the period ended and as 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 controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

MKPS & ASSOCIATES
KOLKATA
Chartered Accountants

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, to the best of our information and according to the explanations given to us, 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 31st March 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.

FOR M K P S & ASSOCIATES
Chartered Accountants
FRN.302014E

MKPS & ASSOCIATES KOLKATA Chartered Accountants

Kolkata-700012

Dated: 10th April,2018

CA Sanjaya Kumar Parida
Partner, M.No: 504222

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 3 under the heading 'Report on Other Legal & Regulatory Requirement' section of our report of even date to the financial statements of the Company for the period ended 31st March 2018).

Reports on Companies (Auditor's Report) Order, 2016 (the Order) issued by Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of ORISSA STEEL EXPRESSWAY PRIVATE LIMITED ('the Company')

1. In respect of the Company's Fixed Assets :
   a. The company have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
   b. The fixed assets were physically verified during the year by management in accordance with the regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals.
   According to information and explanations given to us, no material discrepancies. Were noticed on such verification.
   c. According to the information and explanations given to us and the records examined by us and based on examination of the conveyance deed provided to us, we report that title deeds, comprising all the immovable properties of land and building which are freehold, are held in the name of company as at the Balance Sheet date.

2 In our opinion and according to the information and explanations given to us , the company does not carry any inventory. Therefore, the provisions of Paragraph 3(ii) of the order is not applicable.

3 The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4 In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

5 The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6 In our opinion and according to the information and explanations given to us , the maintenance of Cost Records specified by the Central Government under sub-section (1) of Section 148 of the Act are not applicable to this company pursuant to sub clause (b)(ii) of Companies (Cost Records and Audit) Rules,2014.

7 According to information and explanations given to us, in respect to statutory dues :

   a. The company has generally been regular in depositing undisputed dues including Income Tax , Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, duty of Customs , duty of Excise, cess and other material statutory dues as applicable with the appropriate authorities.
   b. There were no undisputed amounts payable in respect to Income Tax , Sales Tax, Service Tax, Value Added Tax, duty of Customs , duty of Excise, Cess and other material statutory dues in arrears as at 31st March 2018 for a period of more than six months from the date they become payable.

MKPS & ASSOCIATES
KOLKATA
Chartered Accountants

8 In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Financial Institution or Banks or Debenture holders.

9 Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments, However, Long Term Bridge Loan raised by the company were applied for the purposes for which those are raised. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10 Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11 Based upon the audit procedures performed and the information and explanations given by the management, we report that no managerial remuneration has been paid or provided by the company for the period cover under audit. Accordingly the provisions of clause 3 (xi) of the Order are not applicable to the Company and hence not commented upon.

12 In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13 In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14 Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15 Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16 In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

FOR M K P S & ASSOCIATES
Chartered Accountants
FRN.302014E

MKPS & ASSOCIATES
KOLKATA
Chartered Accountants

Parida

Kolkata-700012

Dated: 10th April,2018

CA Sanjaya Kumar Parida
Partner, M.No: 504222

Orissa Steel Expressway Private Limited
CIN No: U45400OR2010PTC014681
Balance Sheet as at March 31, 2018

(Rs. in Lakhs)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	12.92	13.63	14.49
Intangible Assets under development	4	-	-	18,969.16
Financial Asset				
Other Financial Asset	5	23,538.04	21,509.42	-
Other Non-Current Assets	6	7.69	5.25	19.72
Total Non-Current Assets		**23,558.65**	**21,528.30**	**19,003.37**
Current Assets				
Financial Assets				
(i) Cash and Cash Equivalents	7	1.81	200.60	32.36
(ii) Other Financial Assets	8	606.54	1,719.84	267.52
Other Current Assets	9	276.74	278.98	278.82
Total Current Assets		**885.09**	**2,199.42**	**578.70**
Total Assets		**24,443.74**	**23,727.72**	**19,582.07**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	10	7,836.66	7,836.66	7,836.66
Other Equity	11	(18.86)	(17.15)	(13.64)
Total Equity		**7,817.80**	**7,819.51**	**7,823.02**
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
Long-term borrowings	12	12,200.00	12,200.00	-
Provisions	13	-	-	14.58
Total Non-Current Liabilities		**12,200.00**	**12,200.00**	**14.58**
Current Liabilities				
Financial Liabilities				
(i) Short-term borrowings	14	2,038.50	2,038.50	9,954.82
(ii) Other Financial Liabilities	15	2,203.29	1,644.20	1,768.42
Provisions	16	1.31	-	14.15
Other Current Liabilities	17	182.84	25.51	7.08
Total Current Liabilities		**4,425.94**	**3,708.21**	**11,744.47**
Total Liabilities		**16,625.94**	**15,908.21**	**11,759.05**
Total Equity and Liabilities		**24,443.74**	**23,727.72**	**19,582.07**

Significant Accounting Policies and Notes to the Financial Statements.
The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For M K P S & Associates
Chartered Accountants
Firm's Registration No. 302014E

Parida

MKPS & ASSOCIATES KOLKATA Chartered Accountants

CA. Sanjay Kumar Parida
Partner
Membership No. - 504222

Place: Kolkata
Date: 10th April 2018

For and on behalf of the Board of Directors

Director **Director**

Orissa Steel Expressway Private Limited

Orissa Steel Expressway Private Limited
CIN No: U45400OR2010PTC014681
Statement of profit and loss for the year ended 31st March 2018

(Rs. in Lakhs)

Particulars	Notes	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Other income	18	-	0.80
Total Income		**-**	**0.80**
Expenses			
Other expenses	19	1.71	2.01
Total expenses		**1.71**	**2.01**
Profit/(loss) before exceptional items and tax		**(1.71)**	**(1.22)**
Add: Exceptional items			
Profit / (loss) before tax		**(1.71)**	**(1.22)**
Less: Tax expense			
(i) Tax expense of earlier year		-	2.29
Profit/(Loss) for the year		**(1.71)**	**(3.51)**
Other Comprehensive Income			
Items that will not be reclassified in Profit/(loss)		-	-
Total other comprehensive income		-	-
Total comprehensive income for the period		**(1.71)**	**(3.51)**
Earnings per share (Face Value ₹ 10/- per share) Not annualised :			
(1) Basic (in Rs.)		(0.00)	(0.00)
(2) Diluted (in Rs.)		(0.00)	(0.00)

Significant Accounting Policies and Notes to the Financial Statements.
The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For M K P S & Associates
Chartered Accountants
Firm's Registration No. 302014E

MKPS & ASSOCIATES KOLKATA Chartered Accountants

CA. Sanjay Kumar Parida
Partner
Membership No. - 504222

Place: Kolkata
Date: 10th April, 2018

For and on behalf of the Board of Directors

Director **Director**

Orissa Steel Expressway Private Limited

Orissa Steel Expressway Private Limited
CIN No: U45400OR2010PTC014681
Cash Flow Statement for the year ended March 31, 2018

(Rs. in Lakhs)

S. No.	Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
A	**Cash flow from operating activities**		
	Net profit / (loss) before tax and extraordinary items	(1.71)	(1.22)
	Adjustments for:		
	Depreciation and amortisation expense	-	-
	Finance Cost		
	Operating profit before working capital changes	**(1.71)**	**(1.22)**
	Adjustments for:		
	Increase / (Decrease) in long term provisions	-	(14.58)
	Increase / (Decrease) in short term provisions	1.31	(14.15)
	Increase / (Decrease) in other current liabilities	(21.67)	18.43
	Increase / (Decrease) in other current financial liabilities	70.85	469.85
	(Increase) / Decrease in Current Financial Asset	1,113.30	(1,452.31)
	(Increase) / Decrease in Other Current Asset	2.25	(0.16)
	Cash generated from Operations	**1,164.33**	**(994.13)**
	Direct taxes refund /(paid during year)	(2.44)	12.18
	Net Cash(used in)/generated from Operating Activities	**1,161.88**	**(981.95)**
B	**Cash flow from investing activities**		
	Additions to Intangible Assets under developments	-	(583.80)
	Additions to Claims Receivable	(237.92)	-
	Net cash (used in)/generated from investing activities	**(237.92)**	**(583.80)**
C	**Cash flow from financing activities**		
	Inter Corporate Deposits taken	-	4,937.51
	Inter Corporate Deposits refunded	-	(2,919.01)
	Proceeds from Short Term Borrowing	-	-
	(Repayment) of Short Term Borrowing	-	(10,000.00)
	Proceeds from Long Term Borrowings	-	12,200.00
	Interest paid on short term borrowings	(1,122.75)	(2,439.36)
	Interest paid Inter Corporate Deposits	-	(45.14)
	Net cash (used in)/generated from financing activities	**(1,122.75)**	**1,734.00**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(198.79)**	**168.24**
	Cash and cash equivalents as at the beginning of the year	200.60	32.36
	Cash and cash equivalents as at the end of the year	**1.81**	**200.60**

Notes:
1) Previous year's figures have been regrouped/reclassified wherever applicable.

1) Cash Flow statement has been prepared under the Indirect Method as set out in the Accounting Standard 3"Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules.
2) Cash and cash equivalent represent cash and bank balances.

As per our report of even date.

For M K P S & Associates
Chartered Accountants
Firm's Registration No. 302014E

Parida

MKPS & ASSOCIATES KOLKATA Chartered Accountants

CA. Sanjay Kumar Parida
Partner
Membership No. - 504222

Place: Kolkata
Date: 10th April 2018

For and on behalf of the Board of Directors

Director **Director**

Orissa Steel Expressway Private Limited

Orissa Steel Expressway Private Limited

Statement of Changes in Equity

A. Equity share capital

Rs. In Lakhs

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 the start of the period	78,366,600	7,836.66	78,366,600	7,836.66
Issued during the period	-	-	-	-
Balance at the end of the period	**78,366,600**	**7,836.66**	**78,366,600**	**7,836.66**

B. Other Equity

Movement in Other Equity

Particulars	Equity component of compound financial	Reserves and Surplus			Total
		Capital Reserve	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the reporting period i.e. 01.04.2017				(17.15)	(17.15)
Changes in accounting policy or prior period errors					
Restated balance at the beginning of the reporting period				**(17.15)**	**(17.15)**
Total Comprehensive Income for the year				(1.71)	(1.71)
Addition in Capital Reserve					
Addition in Equity Component					
Transfer to retained earnings					
Balance at the end of the reporting period i.e. 31.03.2018				**(18.86)**	**(18.86)**

Previous Year

Particulars	Equity component of compound financial	Reserves and Surplus			Total
		Capital Reserve	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the reporting period i.e. 01.04.2016				(13.64)	(13.64)
Changes in accounting policy or prior period errors					-
Restated balance at the beginning of the reporting period		-	-	**(13.64)**	**(13.64)**
Total Comprehensive Income for the year				(3.51)	(3.51)
Transfer to retained earnings					-
Addition in Capital Reserve					-
Balance at the end of the reporting period i.e. 31.03.2017		-	-	**(17.15)**	**(17.15)**

As per our report of even date.

For M K P S & Associates
Chartered Accountants
Firm's Registration No. 302014E

Parida

MKPS & ASSOCIATES KOLKATA Chartered Accountants

CA. Sanjay Kumar Parida
Partner
Membership No. - 504222

Place: Kolkata
Date: 18th April, 2018

For and on behalf of the Board of Directors

Director **Director**

Orissa Steel Expressway Private Limited

1 Corporate Information

The company is into Infrastructure business within the meaning of section 186 of the Companies Act ,2013 .The Company has been awarded the work to promote, develop, finance, establish, design, construct, equip, operate, maintain, modify and upgrade the two/ four laning of Rimuli - Roxy - Rajamunda Section of NH 215 from Km 163.000 to Km 259.453 under NHDP- III in the State of Orissa on Design, Build, Finance, Operate and Transfer (DBFOT) basis and to charge and collect toll fees and to retain and appropriate receivables as per the concession agreement dated July 6, 2010 from the NHAI. The Concession Agreement was for a period of 19 years from appointed date and due to Land availability issues, the Project has been foreclosed and handed over to NHAI on 2nd March 17.

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.

The financial statements upto to the year ended 31 March 2017 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 as amended and other relevant provisions of the Act.
These financial statements are the first financial statements of the Company under Ind AS. Refer Note 23 for an explanation on how the transition from previous IGAAP to IndAS has affected the Company's financial position, financial performance and cash flows.

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except those specifically disclosed, if any.

(c) Use of estimates and judgments

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

(d) Measurement of fair values

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

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

2.02 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.

2.03 Revenue recognition

a)

Construction services

Revenue related to construction or upgrade services under a service concession arrangement is recognised based on the stage of completion of the work performed, consistent with the company's accounting policy on recognising revenue on construction contracts. Operation or service revenue is recognised in the period in which the services are provided by the company.

Fee Collection

Fee Collection from the Users of the carriageway is accounted for as and when the amount is due and recovery is certain. Revenue from sale of smart card is recognised as and when the cards are issued to the Users.

Interest Income

For all financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Other Income

Other Income is recognised when right to receive is established.

Other Claims

Other claims are accounted for, when there is certainty of realization and can be measured realiably.

2.04 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.

MKPS & ASSOCIATES
KOLKATA
Chartered Accountants

Orissa Steel Expressway Private Limited

2.05 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.

2.06 Property, plant and equipment (PPE)

Property Plant & Equipment are stated at cost, less accumulated depreciation/impairment losses, if any. Cost includes original cost of acquisition , including incidental expenses related to such acquisition and installation.

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

Depreciation on Property Plant & Equipment is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful lives of the respective assets. The useful life of each class of Property Plant & Equipment is similar to useful life prescribed in Schedule II to Companies Act 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the period of additions/ deductions.

The details of estimated useful life for each category of Property Plant & Equipment are as under:

Property Plant & Equipment	Estimated Useful Life
Furniture & Fixtures	10 years
Plant & Machinery	8 years
Computers	3 years
Office Equipment	5 years
Intangible Assets (Software)	3 years

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

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

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.07 Intangible assets

Under Appendix A to Ind AS 11 - Service Concession Arrangement, Intangible assets arising from a service concession arrangement are recognized when the company has a right to charge for usage of the concession infrastructure. An intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement is measured at fair valuation on initial recognition by references to the fair value of the services provided. Subsequent to initial recognition, the intangible asset is measured at cost, which includes construction cost, finance costs, street lighting, drainage, etc. incurred during the implementation phase.

The estimated useful lives of the intangible asset in a service concession arrangement is the period from when the company is able to charge the public for the use of the infrastructure to the end of the concession period.

Toll collection rights in respect of road projects are amortized over the period of concession using the straight line method.

2.08 Intangible assets under development

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 . Till the completion of the project, the same is recognised under intangible assets under development.

All expenses which are capital in nature and directly relatable to development of Highway Project incurred upto the commencement of commercial operations are included under Intangible assets under development. These expenses will be transferred to Intangible Assets upon completion and receipt of completion certificate from NHAI (COD).

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

Transition to Ind AS

The Company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment) as recognised in the financial statements as at the date of transition to Ind ASs', measured as per previous GAAP.

Amortisation of Intangible assets

Intangible asset is amortised over its expected useful life in straight-line method in accordance with IND AS 38 "Intangible Assets"

MKPS & ASSOCIATES * KOLKATA * Chartered Accountants

Orissa Steel Expressway Private Limited

2.09 Service concession arrangement

The Company constructs or upgrades infrastructure (construction services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified time.

Under Appendix A to Ind AS 11 - "Service Concession arrangement", these arrangements, are accounted for based on the nature of the consideration. The intangible asset model is used to the extent the Company receives a right to charge users of the toll road. The financial asset model is used when the Company has an unconditional right to receive cash for the construction services.

The company manages concession arrangement which includes construction of toll road. The company maintains and services the toll roads during the concession period. The concession arrangement sets out rights and obligations related to the infrastructure and the service to be provided. The right to consideration gives rise to an intangible asset (i.e. right to charge users of the toll road) and finance asset (equity support from NHAI) and accordingly, both the intangible asset and financial asset model is applied.

2.1 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 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.

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 (Other than financial assets measured at fair value)

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:
• In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
• In the case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's fair value less cost to sell and the 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 current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit and loss section of the statement of profit and loss.

MKPS & ASSOCIATES KOLKATA Chartered Accountants

Orissa Steel Expressway Private Limited

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.

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.

Derecognition : A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:
• The rights to receive cash flows from the asset have expired, or
• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either;
(a) the Company has transferred substantially all the risks and rewards of the asset, or
(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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)

MKPS & ASSOCIATES KOLKATA Chartered Accountants

Orissa Steel Expressway Private Limited

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.

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 are accounted for as and when accepted and claims by the company are accounted for as and when the claim is received.

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 related service.

(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.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

(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.

MKPS & ASSOCIATES KOLKATA Chartered Accountants

Orissa Steel Expressway Private Limited

3 Property, Plant and Equipment

(Rs. in Lakhs)

Particulars	Gross Block				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	11.19			11.19	-	-		-	11.19
Computer	0.09			0.09	0.09	-		0.09	-
Office Equipment	0.68			0.68	0.37	0.31		0.68	-
Furniture & Fixtures	2.53			2.53	0.40	0.40		0.80	1.73
Total	**14.49**			**14.49**	**0.86**	**0.71**		**1.57**	**12.92**

PREVIOUS YEAR

Particulars	Gross Block				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	11.19			11.19		-		-	11.19
Computer	0.09			0.09		0.09		0.09	-
Office Equipment	0.68			0.68		0.37		0.37	0.31
Furniture & Fixtures	2.53			2.53		0.40		0.40	2.13
Total	**14.49**	-	-	**14.49**	-	**0.86**	-	**0.86**	**13.63**

MKPS & ASSOCIATES ★ Chartered Accountants ★ KOLKATA

Orissa Steel Expressway Private Limited

Orissa Steel Expressway Private Limited
Notes to financial statements for the Year ended March 2018

4 Intangible Assets under development **(Rs. in Lakhs)**

Particulars	As at Mar 31, 2018	As at Mar 31, 2017	As at April 1, 2016
Rights under service concession arrangements under development	-	21,509.42	18,969.16
Less: Transferred to Claims under Non Current - Other Financial Asset (Refer Note 5)		(21,509.42)	-
Total	-	-	**18,969.16**

5 Other Financial Asset

Particulars	As at Mar 31, 2018	As at Mar 31, 2017	As at April 1, 2016
Intangible Assets under Development transferred to Claims (Refer Note no & Note no 34)	-	21,509.42	-
Balance of claim as on 01.04.17	21,509.42	-	-
Expenses during the year	2,028.61	-	-
Balance of claim as on 31.03.18	23,538.04	-	-
Total	**23,538.04**	**21,509.42**	-

6 Other Non-Current Assets

Particulars	As at Mar 31, 2018	As at Mar 31, 2017	As at April 1, 2016
Advance Tax (Net of provision for Tax - Nil)	7.69	5.25	19.72
Total	**7.69**	**5.25**	**19.72**

7 Cash and Cash Equivalents

Particulars	As at Mar 31, 2018	As at Mar 31, 2017	As at April 1, 2016
Balances with Banks			
- in current accounts	1.13	199.92	31.87
Cash on hand	0.21	0.21	0.02
Balance in Liquid Fund	0.47	0.47	0.47
Total	**1.81**	**200.60**	**32.36**

8 Other Financial Assets

Particulars	As at Mar 31, 2018	As at Mar 31, 2017	As at April 1, 2016
Security Deposits	2.69	2.69	2.69
DSRA (Debt Service Reserve) Deposit	303.84	1,426.58	-
Inter Corporate Deposit	226.77	238.50	250.00
Interest accrued on ICD	73.24	52.07	14.83
Total	**606.54**	**1,719.84**	**267.52**

9 Other Current Assets

Particulars	As at Mar 31, 2018	As at Mar 31, 2017	As at April 1, 2016
Advance against Capital expenses	270.86	270.86	266.35
Other Advances	5.88	8.12	12.47
Total	**276.74**	**278.98**	**278.82**

MKPS & ASSOCIATES
KOLKATA
Chartered Accountants

Orissa Steel Expressway Private Limited

Orissa Steel Expressway Private Limited
Notes to financial statements for the Year ended March 2018

10 Equity Share Capital

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Note: 1 SHARE CAPITAL			
AUTHORISED:	13,600.00	13,600.00	13,600.00
Equity Shares of Rs.10/- each			
136,000,000 (Previous Year 136,000,000) equity Shares of Rs. 10/- each	-	-	-
ISSUED, SBSCRIBED & PAID UP:			
78,366,600 (Previous Year 78,366,600) equity Shares of Rs. 10/- each allotted as fully paid	7,836.66	7,836.66	7,836.66
Total	7,836.66	7,836.66	7,836.66

Foot Notes:

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

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	Amount	Number	Amount
Number of equity shares at the beginning of the Year	78,366,600	7,836.66	78,366,600	7,836.66
Equity shares issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Number of equity shares at the end of the Year	78,366,600	7,836.66	78,366,600	7,836.66

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. Shares held by holding/Ultimate holding company and/or their subsidiaries/associates

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of shares held	% of Holding	No. of shares held	% of Holding	No. of shares held	% of Holding
Bharat Road Network Ltd	46,534,600	59.38%	46,534,600	59.38%	-	0.00%

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		As at April 1, 2016	
	No. of shares held	% of Holding	No. of shares held	% of Holding	No. of shares held	% of Holding
Srei Venture Capital Trust A/c – Infrastructure Project Development Capital	-	0.00%	-	0.00%	4,250,000	5.42%
Bharat Road Network Ltd	46,534,600	59.38%	46,534,600	59.38%	34,949,667	44.60%
MBL Infrastructures Ltd	23,743,800	30.30%	23,743,800	30.30%	23,743,800	30.30%
Srei Infrastructure Finance Limited	-	0.00%	-	0.00%	7,334,933	9.36%
AMR India Limited (Formerly AMR Constructions Ltd)	4,824,000	6.16%	4,824,000	6.16%	4,824,000	6.16%

(Note 1: Subsequent upon Bharat Road Network Ltd. (BRNL) further acquiring 14.78% stake in the company vide share purchase agreement dated 27th Oct 2016 , BRNL has become major shareholder in the company, holding 59.38 % and thereby Orissa Steel Expressways Pvt. Ltd. has become the material subsidiary of Bharat Road Network Ltd).

11 Other Equity

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Surplus in profit and loss account	(18.86)	(17.15)	(13.64)
Total	(18.86)	(17.15)	(13.64)

Movement in Other Equity

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Surplus/ (Deficit) in Statement of Profit &Loss			
At the beginning of the accounting year	(17.15)	(13.64)	(10.68)
Profit/(loss) for the year	(1.71)	(3.51)	(2.96)
At the end of the year	(18.86)	(17.15)	(13.64)

MKPS & ASSOCIATES KOLKATA Chartered Accountants

Orissa Steel Expressway Private Limited

Orissa Steel Expressway Private Limited
Notes to financial statements for the Year ended March 2018

12 Long-term borrowings (Rs. in Lakhs)

Particulars	As at Mar 31, 2018	As at Mar 31, 2017	As at April 1, 2016
Rupee Term Loans			
Secured			
From Financial Institutions	12,200.00	12,200.00	-
Total	12,200.00	12,200.00	-

a. Security Terms

The Loan is payable in in 24 equal quarterly instalments after a moratorium of 2 years from the COD or SCOD which ever is later. Interest is payable quarterly, compounding on monthly rests @ 13.20% per annum.

The Loan is to be secured by way of first pari passu charge by way of hypothecation on the entire assets of the borrower under the deed of hypothecation.

The Loan is to be secured by way of pledge of 100% unencumbered issued, subscribed and fully paid up voting equity shares of the company held by BRNL

The Loan is to be secured by way of pledge of 21,87,266 number of issued, subscribed and fully paid up voting equity shares of the company held by AMR India Limited.

The Loan is to be secured by way of pledge of 58,32,576 number of issued, subscribed and fully paid up voting equity shares of the company held by MBL Infrastructure Limited.

13 Long Term Provisions

Particulars	As at Mar 31, 2018	As at Mar 31, 2017	As at April 1, 2016
Provision for Employee Benefits:			
Gratuity	-	-	8.02
Compensated Absence	-	-	6.56
Total	-	-	**14.58**

14 Short Term Borrowing

Particulars	As at Mar 31, 2018	As at Mar 31, 2017	As at April 1, 2016
Secured loan			
From Financial Institution	-	-	9,934.82
The Loan is payable in bullet form at the end of 24 months from the date of initial disbursement (i.e. on 22nd July 2015). Interest is payable quarterly, compounding on monthly rests @ 13.20% per annum.			
The Loan is to be secured by way of first pari passu charge on entire assets with Senior Lenders of the borrower by way of hypothecation.			
Unsecured loan			
Inter Corporate Deposit from related party	2,038.50	2,038.50	20.00
Total	**2,038.50**	**2,038.50**	**9,954.82**

15 Other Financial liabilities (Rs. in Lakhs)

Particulars	As at Mar 31, 2018	As at Mar 31, 2017	As at April 1, 2016
Interest accrued & due	586.54	-	837.51
Interest accrued but not due	172.45	270.75	98.70
Liability for expenses	3.35	0.14	5.46
Retention money	524.96	524.96	524.96
Creditor for capital Expenses	915.99	848.35	301.79
Total	**2,203.29**	**1,644.20**	**1,768.42**

16 Short Term Provisions

Particulars	As at Mar 31, 2018	As at Mar 31, 2017	As at April 1, 2016
Gratuity.	0.21	-	-
Other Benefits	1.10	-	14.15
Total	**1.31**	-	**14.15**

17 Other Current liabilities

Particulars	As at Mar 31, 2018	As at Mar 31, 2017	As at April 1, 2016
Statutory Dues	182.84	25.51	7.08
Total	**182.84**	**25.51**	**7.08**

MKPS & ASSOCIATES KOLKATA Chartered Accountants

Orissa Steel Expressway Private Limited

Orissa Steel Expressway Private Limited
Notes to financial statements for the Year ended March 2018

18 Other Income

(Rs. in Lakhs)

Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Interest on Income Tax Refund	-	0.80
Total	**-**	**0.80**

19 Other Expenses

Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Audit Fees/ certification work	1.71	1.67
Interest on TDS	-	0.35
Total	**1.71**	**2.01**

MKPS & ASSOCIATES
KOLKATA
Chartered Accountants

Orissa Steel Expressway Private Limited

20 **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 financial assets-non current	5			23,538.04	23,538.04			23,538.04	23,538.04
Cash and cash equivalents	7			1.81	1.81			1.81	1.81
Other financial assets-current	8			606.54	606.54			606.54	606.54
Total Financial Asset		-	-	**24,146.38**	**24,146.38**			**24,146.38**	**24,146.38**
Financial liability									
Long-term borrowings	12			12,200.00	12,200.00			12,200.00	12,200.00
Short-term borrowings	14			2,038.50	2,038.50			2,038.50	2,038.50
Other current financial liabilities	15			2,203.29	2,203.29			2,203.29	2,203.29
Total Financial Liabilities		-	-	**16,441.79**	**16,441.79**			**16,441.79**	**16,441.79**

*** 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 financial assets-non current	5			21,509.42	21,509.42			21,509.42	21,509.42
Cash and cash equivalents	7			200.60	200.60			200.60	200.60
Other financial assets-current	8			1,719.84	1,719.84			1,719.84	1,719.84
Total Financial Asset		-	-	**23,429.86**	**23,429.86**	-	-	**23,429.86**	**23,429.86**
					-				
Financial liability					-				
Long-term borrowings	12			12,200.00	12,200.00			12,200.00	12,200.00
Short-term borrowings	14			2,038.50	2,038.50			2,038.50	2,038.50
Other current financial liabilities	15			1,644.20	1,644.20			1,644.20	1,644.20
Total Financial Liabilities		-	-	**15,882.70**	**15,882.70**	-	-	**15,882.70**	**15,882.70**

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

As at March 31, 2016	Note no.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortized cost	Total	Level 1	Level 2	Level 3	Total
Financial asset									
Other financial assets-non current				-	-			-	-
Cash and cash equivalents	7			32.36	32.36			32.36	32.36
Other financial assets-current	8			267.52	267.52			267.52	267.52
Total Financial Asset		-	-	**299.88**	**299.88**	-	-	**299.88**	**299.88**
Financial liability									
Long-term borrowings	12			-	-				
Short-term borrowings	14			9,954.82	9,954.82			9,954.82	9,954.82
Other current financial liabilities	15			1,768.42	1,768.42			1,768.42	1,768.42
Total Financial Liabilities		-	-	**11,723.25**	**11,723.25**	-	-	**11,723.25**	**11,723.25**

*** 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)

C. Valuation techniques

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

1) The carrying amount of current financial assets and short term borrowings measured at amortised cost are considered to be the same as their fair values, due to their short term nature.The fair value of non current financial asset is initially recognised at its Transaction Price and the difference between Transaction price and its fair value if any is deferred till final settlement of Claim with NHAI.

2) Long-term borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors and the risk characteristics of the financed project. The carrying value of Rupee Term Loan approximate fair value as the instruments are at prevailing market rate.

MKPS & ASSOCIATES * Chartered Accountants * KOLKATA

Orissa Steel Expressway Private Limited *

21 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 operates domestically and the business is transacted in local currencies and consequently the Company is not significantly exposed to foreign exchange risk through its sales and services.

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 financial institution/ Others is at Fixed rate, hence there is no Interest rate risk.

The company's exposure to interest rate risk due to Fixed interest rate borrowings is NIL.

Particulars	31.03.2018	31.03.2017	01.04.2016
Long Term Borrowing	12,200.00	12,200.00	-
Short Term Borrowing	2,038.50	2,038.50	9,954.82

Sensitivity analysis based on average outstanding Senior Debt

Due to fixed nature of Borrowing cost , sensitivity is Nil on Profit & Loss account.

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 not exposed to price risk as it has insignificant financial instruments (e.g. investments in mutual funds).

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 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 shall with the support of its Sponsors ensure that it has sufficient fund to meet expected operational expenses, servicing of financial obligations by rearrangement and reschedulement matching with the expected claim recovery.
The following are the contractual undiscounted cash flows of financial liabilities.

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	12,200.00	-	-	5,591.67	6,608.33
Short-term borrowings	2,038.50	2,038.50			-
Other current financial liabilities	2,203.29	2,203.29			-
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	12,200.00	-	-	3558.33	8,641.67
Short-term borrowings	2,038.50	2,038.50			
Other current financial liabilities	1,644.20	1,644.20			-
Derivative Financial Liability	NIL	NIL	NIL	NIL	NIL

As at April 01, 2016	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Long-term borrowings	-	-	-	-	-
Short-term borrowings	9,954.82	9,954.82	-	-	-
Other current financial liabilities	1,768.42	1,768.42	-	-	-
Derivative Financial Liability	NIL	NIL	NIL	NIL	NIL

MKPS & ASSOCIATES KOLKATA Chartered Accountants

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.
In View of termination of the project undertaken by the company, it has filed claims against NHAI for recovery of cost incurred and has accounted for cost incurred in "other financial asset" as claims receivable from NHAI.Management believes that claims amount will be settled soon and no financial loss is expected.

Orissa Steel Expressway Private Limited

22 CAPITAL MANAGEMENT

The Company's main objectives when managing capital are to:
The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Debt*	14,997.49	14,509.25
Less : Cash and cash equivalent	1.81	200.60
Net debt	14,995.68	14,308.65
Total equity^	7,817.80	7,819.51
Net debt to equity ratio	1.92	1.83

The Company has complied with the covenants as per the terms of the major borrowing facilities throughout the reporting period.

Debts includes long term / Short term borrowings including its current maturities and interest accured.
^Equity : Share Capital + Reserves & Surplus (including Capital Reserve)

MKPS & ASSOCIATES * KOLKATA * Chartered Accountants

Orissa Steel Expressway Private Limited

23 First time adoption of Ind AS

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

1. The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 01 April 2016 (transition date).

2. The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

3. The Company has elected to apply the deemed cost option available under Para D7AA of Ind AS 101 i.e. all items of property, plant and equipment, finance leases and intangible assets have been recognised in the financial statements as at the date of transition to Ind AS at the carrying value measured as per previous GAAP.

4.The Company has recognised financial assets and intangible assets as per Appendix A to Ind AS 11 on Service Concession Arrangements, based on the retrospective application as at the date of transition.

I) Reconciliation of Total Equity

(Rs. In Lakhs)

Particulars	Notes	As at March 31, 2017			As at April 1, 2016		
		Previous IGAAP*	Ind As Adjustment	IND AS	Previous IGAAP*	Ind As Adjustment	IND AS
ASSETS							
Non-current Assets							
Property, plant and equipment		13.63	-	13.63	14.49	-	14.49
Intangible assets under development		-		-	19,034.34	(65.18)	18,969.16
Financial Asset		-					
Other financial asset		21,509.42	-	21,509.42	-	-	-
Other non-current assets		5.25	-	5.25	19.72	-	19.72
Total Non-current Assets		**21,528.30**	-	**21,528.30**	**19,068.55**	**(65.18)**	**19,003.37**
Current Assets							
Financial assets				-			
(i) Cash and cash equivalents		200.60	-	200.60	32.37	-	32.36
(ii) Other financial assets		1,719.84	-	1,719.84	267.52	-	267.52
Other current assets		278.98	-	278.98	278.82	-	278.82
Total Current Assets		**2,199.42**	-	**2,199.42**	**578.71**	-	**578.70**
Total Assets		**23,727.72**	-	**23,727.72**	**19,647.26**	**(65.18)**	**19,582.07**
EQUITY AND LIABILITIES							
Equity							
Equity share capital		7,836.66	-	7,836.66	7,836.66	-	7,836.66
Other Equity		(17.15)	-	(17.15)	(13.64)	-	(13.64)
Total Equity		**7,819.51**	-	**7,819.51**	**7,823.02**	-	**7,823.02**
LIABILITIES							
Non-current Liabilities							
Financial Liabilities							
Long-term borrowings		12,200.00	-	12,200.00	-	-	-
Provisions		-	-	-	14.58	-0.00	14.58
Total Non-current Liabilities		**12,200.00**	-	**12,200.00**	**14.58**	**-0.00**	**14.58**
Current liabilities							
Financial liabilities							
(i) Short-term borrowings	b	2,038.50	-	2,038.50	10,020.00	(65.18)	9,954.82
(ii) Other financial liabilities		795.85	848.35	1,644.20	1,466.63	301.79	1,768.42
Provisions		-	-	-	14.15	-	14.15
Other current liabilities		873.86	(848.35)	25.51	308.87	(301.79)	7.08
Total Current Liabilities		**3,708.21**	-	**3,708.21**	**11,809.65**	**(65.18)**	**11,744.48**
Total Liabilities		**15,908.21**	-	**15,908.21**	**11,824.23**	**(65.18)**	**11,759.05**
Total Equity and Liabilities		**23,727.72**	-	**23,727.72**	**19,647.26**	**(65.18)**	**19,582.07**

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

MKPS & ASSOCIATES
KOLKATA
Chartered Accountants

Orissa Steel Expressway Private Limited

ii) Reconciliation of total Comprehensive Income for the Period :

		For the year ended Mar 31, 2017		
Particulars	Notes	Previous IGAAP*	Ind As Adjustment	IND AS
Other income		0.80		0.80
Total Income		**0.80**	-	**0.80**
Expenses		-		
Other expenses		0.00		2.01
		-		
Total expenses		**2.01**	-	**2.01**
Profit/(loss) before exceptional items and tax		**(1.22)**		**(1.22)**
Add: Exceptional items		-		
Profit /(loss) before tax		**(1.22)**		**(1.22)**
		-		
Less: Tax expense		-		
(1) Current tax		2.29		2.29
Profit/(Loss) for the period		**(3.51)**	-	**(3.51)**
Other Comprehensive Income		-		
Remeasurements of the defined benefit plans		-		-
Total other comprehensive income		-	-	-
		-		
Total comprehensive income for the period		**(3.51)**	-	**(3.51)**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Transitional Details

a. Property , Plant & Equipment

The Company has availed the exemption under Ind AS 101 in respect of Property , Plant & equipment. As per the principles, the previous GAAP carrying values have been considered as the deemed cost on the transition date

b. Borrowings

Under previous Indian GAAP, transaction costs incurred in connection with borrowings are directly capitalized to Intangible Assets Under Development. For transition to IndAS, such transaction costs are adjusted with the fair value of the borrowings on initial recognition. Interest on the borrowings is accounted under the Effective Interest Rate method (EIR). Accordingly borrowings as at 1st April 2016 have been reduced by Rs.6,517,635/- with consequent effect of to Intangible Assets Under Development.

MKPS & ASSOCIATES
KOLKATA
Chartered Accountants

Orissa Steel Expressway Private Limited

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

25 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.In View of termination of the project undertaken by the company,no deferred tax asset/ liability arises and accordingly no provision is made in the accounts.

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

Company has single employee as on 31st march 2018 and since this is the first year of the employment and for the above reason the Company has not provided for Leave & Gratuity as per IND AS 19. Further all the employees resigned during the previous year ie. 16-17 & the Company has settled the dues payable to its employees upon their release from the services of the Company. Hence no provision was required in the previous year.

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

A. List of Related Parties

Investors having significance Influence

Bharat Road Network Ltd (Holding Company wef 12th Nov 16))
Solapur Tollways Pvt Ltd. (Fellow Subsidiary wef 12th Nov 16)
MBL Infrastructures Ltd (Investor having significant influence)

B. Transactions with related parties: **(Rs. in Lakhs)**

Name of the related party	Nature of Transaction	Transaction for the year ended	
		March 31, 2018	March 31, 2017
Bharat Road Network Ltd	Inter Corporate Deposit received	-	837.51
Bharat Road Network Ltd	Inter Corporate Deposit repaid	-	(857.51)
Bharat Road Network Ltd.	Inter Corporate Deposit received	-	4,100.00
Bharat Road Network Ltd.	Inter Corporate Deposit repaid	-	(2,061.50)
Bharat Road Network Ltd	Interest expense on Inter Corporate Deposit	305.78	169.91
Bharat Road Network Ltd	Claim Management Fee (incl service Tax/ GST)	236.00	383.06
Bharat Road Network Ltd	Project Management Consultancy Fees (incl service tax)	-	230.00
Bharat Road Network Ltd	Interest on ICD paid	-	45.14
Solapur Tollways Pvt Ltd.	Interest earned on ICD (wef 12th Nov 16 to 31st Mar 17)	-	9.15
Solapur Tollways Pvt Ltd.	Interest earned on ICD	23.53	-
		Outstanding Balances	
		March 31, 2018	**March 31, 2017**
MBL Infrastructures Ltd	Preliminary Expenses	6.08	6.08
Bharat Road Network Ltd	Inter Corporate Deposit taken	2,038.50	2,038.50
Bharat Road Network Ltd	Interest accrued and due	304.21	-
Bharat Road Network Ltd	Interest accrued but not due	79.92	108.93
Bharat Road Network Ltd	PMC & Claim Management Fees	732.11	664.47
Solapur Tollways Pvt Ltd.	Interest on Intercorporate deposit receivable	73.24	52.07
Solapur Tollways Pvt Ltd.	ICD Receivable	226.77	238.50

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

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

Particulars	Unit	As at Mar 31, 2018	As at Mar 31, 2017
Earnings Per Equity Share:			
Profit for the year attributable to Equity Shareholders	Rs. in lakhs	(1.71)	(3.51)
Weighted average number of equity shares outstanding for calculating basic earnings per share	Nos.	78,366,600	78,366,600
Nominal Value of Equity per share	Rs.	10	10
Basic Earnings per Share	Rs.	(0.00)	(0.00)
Diluted Earnings per Share	Rs.	(0.00)	(0.00)

29

Capital Commitments	As at Mar 31, 2018	As at Mar 31, 2017	As at Mar 31, 2016
Estimated amount of contracts remaining to be executed on capital account (net of Capital advances)	-	-	56,824.96

30 Payments to Auditor (Excluding GST/Service Tax) **(Rs. in Lakhs)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Statutory Audit Fee	0.95	0.95
(b) Other Services (Opinion / Certification Fees)	0.50	0.50
Total	**1.45**	**1.45**

31 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.

MKPS & ASSOCIATES KOLKATA Chartered Accountants

Orissa Steel Expressway Private Limited

32 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.

33 There is no earning and expenditure in foreign currency (Previous Year NIL).

34 The project as mentioned was awarded on 29.04.2010 by National Highway Authority of India (NHAI) . However the project could not be continued due to the reasons attributable to NHAI namely non providing of encumbrance free land, forest clearance issues etc.

Due to the unavoidable situation at the Project , a joint inspection of the Project site was carried on with Independent Engineer appointed by NHAI and NHAI representatives and thereafter the project has been foreclosed and handed over to NHAI on 02-03-2017 on 'as is where is' basis which has been acknowledged by NHAI vide their letter dated 03-03-2017 . The company has already intimated the Claim for ISAC procedure to NHAI vide letter dated 13.06.2017.

Due to delay in commencement of ISAC procedure, the Company has invoked Arbitration on 16.10.2017 and nominated its Arbitrator which has been followed up by nomination of NHAI's Arbitrator and the Presiding officer leading to Constitution of Arbitral Tribunal which will hear and settle the Claim of Concessionaire. The company management strongly believes that it will recover Claim from NHAI and accordingly Financial Statements of the Company has been prepared on Going Concern basis , till final settlement of claim with NHAI. Further as the project has been handed over to NHAI , expenditure incurred on the Project which were classified as "Intangible Assets under Development" have been transferred to "Claims" disclosed under "Non Current Financial Assets".

35 Previous year figures have been re-grouped, re-worked and re-classified wherever necessary, to make them comparable with current year figures.

As per our report of even date.

For M K P S & Associates
Chartered Accountants
Firm's Registration No. 302014E

MKPS & ASSOCIATES KOLKATA Chartered Accountants

CA. Sanjay Kumar Parida
Partner
Membership No. - 504222

Place: Kolkata
Date: 10th April, 2018.

For and on behalf of the Board of Directors

Director **Director**

Orissa Steel Expressway Private Limited