SURATGARH BIKANER TOLL ROAD COMPANY PRIVATE LIMITED

AUDITED ANNUAL ACCOUNTS

FOR FY 2017-18

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
SURATGARH BIKANER TOLL ROAD COMPANY PRIVATE LIMITED

Report on the Standalone IND AS Financial Statements

We have audited the accompanying standalone financial statements of **SURATGARH BIKANER TOLL ROAD COMPANY PRIVATE LIMITED**('the Company'), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss(including other comprehensive income), the Statement of Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information(hereinafter referred to as 'standalone IND AS financial statements').

Management's Responsibility for the Standalone IND AS Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone 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 standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone 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 standalone Ind AS financial statements.

Basis of Qualified opinion

1. ***The company has not ascertained "Impairment of Assets" as per Ind-AS 36. Therefore, its impact on Financial Statements is not ascertainable.***

2. ***The loans /credit facilities provided by lenders have been classified as Non-Performing Assets (NPA) by all lenders as on balance sheet date, however in Ind-AS Financial Statements the same is shown both under Short term & Long term borrowings on the basis of original Sanction letter.***

Opinion

In our opinion and to the best of our information and according to the explanations given to us, ***except for the effects of the matter described in the Basis for Qualified Opinion paragraph above***, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

   a) We have sought and obtained all the information and explanations which to the best of ourknowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement and the statement of change in Equity dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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

   f) With respect to the adequacy of the internal financial controls over financial reporting of theCompany and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

      i. The Company did not have any pending litigations on its financial position in its standalone Ind AS financial statements.

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

iii. There is no requirement for funds to be transferred to the Investor Education and Protection Fund by the Company.

For S. R. Goyal& Co.
Chartered Accountants
FR No. : 001537C

Place: New Delhi
Date: 30th May 2018

s/d

A.K. Atolia
(Partner)
M. No. : 077201

Annexure A to the Independent Auditors' Report to the members of SURATGARH BIKANER TOLL ROAD COMPANY PRIVATE LIMITED
Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order') issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section

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

(b) As explained to us , all the fixed assets have been physically verified by the management in a phased periodical manner , which in our opinion is reasonable, having regards to size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

(ii) As informed the Company does not have any inventory therefore paragraph 3 (ii) of the order is not applicable.

(iii) The Company has not granted loans, secured or unsecured, to companies, firms and limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore paragraph 3 (iii) (a), (b) & (c) of the Order are not applicable;

(iv) According to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of Act, with respect to the loans, investments, guarantees, and security made.

(v) The Company has not accepted any deposits from the public.Therefore, paragraph 3 (v) of the order is not applicable.

(vi) As per information and explanations given to us, the Central Government has not prescribed maintenance of cost record u/s 148 of the Companies Act 2013.

(vii) (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess to the extent applicable and any other statutory dues have generally been deposited with the appropriate authorities with some delays. According to the information and explanations given to us undisputed amount payable in respect of aforesaid dues outstanding as at 31st of March, 2018 for a period of more than six months are are in respect of Tax Deducted at Source amounting Rs.3,38,76,969/-andWorks Contracts Tax amounting to Rs.68,82,772/-.

(b) According to the information and explanation given to us , there are no dues in respect of Income tax , wealth tax , excise duty , custom duty , service tax and cess that have not been deposited with appropriate authorities on account of any dispute.

(viii) The company has defaulted in repayment of loans or borrowing to a financial institution and banks.The details are as follows:

(Rs. in Lacs)

Terms Loan From Banks & Financial Institution	0 to 30 Days	31 to 60 Days	61 to 90 Days	Above 90 Days
Interest Amount	584.02	514.25	567.87	8164.36
Principal Amount	150.00			650.00

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no fraud by the Company or fraud on the Company by its officers or employees has been noticed or reported during the year;

(xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company is a Private Limited Company & therefore section 197 of the Companies Act, 2013 is not applicable. Accordingly, paragraph 3(xi) of the Order is not applicable.

(xii) The Company is not a Nidhi Company, hence clause (xii) of para 3 of the Order is not applicable to the Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards;

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of para 3 of the Order is not applicable;

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934;

For S. R. Goyal& Co.
Chartered Accountants
FR No. : 001537C

s/d

Place: New Delhi
Date: 30th May 2018

A.K. Atolia
(Partner)
M. No. : 077201

Annexure B to the Independent Auditor's Report to the members of SURATGARH BIKANER TOLL ROAD COMPANY PRIVATE LIMITED
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of **SURATGARH BIKANER TOLL ROAD COMPANY PRIVATE LIMITED**('the Company'), as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". 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.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

S R GOYAL & CO
CHARTERED ACCOUNTANTS

Opinion

In our opinion, the Company has limited documentation for identification of risk description with control categories of its processes ,we have considered other related documentation available in this regard, for obtaining sufficient understanding for its process and controls and based on the above, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India specified under Section 143(10) of the Act, the financial statements of the Company, which comprise the Balance Sheet as at March 31, 2018, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated March 31, 2018 expressed an unqualified opinion thereon.

For S. R. Goyal& Co.
Chartered Accountants
FR No. : 001537C

s/d

Place: New Delhi
Date: 30th May2018

A.K. Atolia
(Partner)
M. No. : 077201

SURATGARH BIKANER TOLL ROAD COMPANY PRIVATE LIMITED

Balance Sheet as at 31st March,2018

Rupees in Lakhs

	Note No.	As on 31st March, 2018	As on 31st March, 2017
ASSETS			
(1) Non current assets			
(a) Property, plant and equipment			-
(b) Intangible asset under development	4	72,514.39	65,868.60
(c) Other intangible assets			-
(d) Financial assets			-
(i) Investment			-
(ii) Trade receivables			-
(iii) Loans			-
(iv) Others			-
(d) Deferred tax assets(net)			-
(e) Other non current assets			-
(2) Current assets			
(a) Inventories			-
(b) Financial assets			-
(i) Investment			-
(ii) Trade receivables	5	83.73	83.73
(iii) Cash and cash equivalents	6	8.40	10.06
(iv) Loans			-
(v) Others			-
(c) Current tax assets (net)	7	24.08	24.08
(d) Other current assets	8	10.88	8.86
TOTAL ASSETS		**72,641.48**	**65,995.33**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	9	17,007.00	17,007.00
(b) Other equity		-	-
LIABILITIES			
(1) Non current liabilites			
(a) Financial liabilites			
(i) Borrowings	10	42,443.61	44,594.42
(ii) Trade payables			-
(iii) Other financial liability			-
(b) Provisions			-
(c) Deferred tax liabilites (net)			
(c) Other non current liabilties			-
(2) Current liabilites			
(a) Financial liabilites			
(i) Borrowings			-
(ii) Trade payables	11	262.82	183.45
(iii) Other financial liability	12	2,366.74	165.86
(b) Other current liabilites	13	10,561.31	4,044.60
(c) Provisions		-	-
TOTAL EQUITY & LIABILITIES		**72,641.48**	**65,995.33**

Significant accounting policies and other accompanying notes (1 to 21) form an integral part of the financial statements.

As per our report on even date

For S.R.Goyal & Co.

Chartered Accountants

Firm Registration

s/d

(A.K. Atolia)

Partner

Membership No. 0

s/d

Ritu Agarwal

Company Secretary

s/d

Mukesh Baheti

Chief Financial Officer

For and on behalf of the Board

s/d

Anjanee Kumar Lakhotia

Director

DIN-00357695

s/d

Sunita Patta

Director

DIN-03612793

Place : New Delhi

Dated : May 30th, 2018

SURATGARH BIKANER TOLL ROAD COMPANY PRIVATE LIMITED

Cash Flow Statement for the year ended 31st March, 2018

Rupees In Lakhs

		For the year ended 31.03.2018		For the year ended 31.03.2017	
A.	**Cash flow from operating activities:**				
	Operating profit before working capital changes:				-
	Adjusted for:				
	Increase / (Decrease) in other current liabilities	8,717.59		3,255.57	
	Increase / (Decrease) in trade payables	79.37		(3,497.54)	
	(Increase) / Decrease in other current assets	(2.02)		4,588.95	
	(Increase) / Decrease in debtors	-	8,794.94	-	4,346.98
	Less : Direct taxes paid		-		-
	Net cash generated from / (used in) operating activities		**8,794.94**		**4,346.98**
B.	**Cash flow from investing activities:**				
	Intangible assets under development	(6,645.79)		(13,392.88)	
	Net cash generated from / (used in) investing activities		**(6,645.79)**		**(13,392.88)**
C.	**Cash flow from financing activities:**				
	(Repayments) / Proceeds of secured loan	(2,150.81)		6,588.80	
	(Repayments) / Proceeds of Equity Share capital	-	(2,150.81)	1,155.00	7,743.80
	Net cash generated from / (used in) financing activities		**(2,150.81)**		**7,743.80**
	Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		**(1.66)**		**(1,302.10)**
	Opening balance of cash & cash equivalents		**10.06**		**1,312.16**
	Closing balance of cash & cash equivalents (refer note 6)		**8.40**		**10.06**

Significant accounting policies and other accompanying notes (1 to 21) form an integral part of the financial statements.

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

For S.R.Goyal & Co.

Chartered Accountants

Firm Registratic

s/d

(A.K. Atolia)

Partner

Membership No. 077201

Place : New Delhi

Dated : May 30th, 2018

For and on behalf of the Board

s/d

Ritu Agarwal

Company Secretary

s/d

Anjanee Kumar Lakhotia

Director

DIN-00357695

s/d

Mukesh Baheti

Chief Financial Officer

s/d

Sunita Rathi

Director

DIN-03612793

Statement of changes in equity for the year ended 31st March 2018

A Equity Share Capital

Rupees in Lakhs

Particulars	Share capital
Balance as on April 1, 2015	**9,000**
Add: Shares issued during the year 2015-16	6,852
Balance as on March 31, 2016	**15,852**
Add: Shares issued during the year 2016-17	1,155
Balance as on March 31, 2017	**17,007**
Add: Shares issued during the year 2017-18	-
Balance as on March 31, 2018	**17,007**

Significant accounting policies and other accompanying notes (1 to 21) form an integral part of the financial statements.

As per our report on even date

For S.R.Goyal & Co.
Chartered Accountants
Firm Registration No.001537C

(A.K. Atolia)
Partner
Membership No. 077201

Place : New Delhi
Dated : May 30th, 2018

s/d
Ritu Agarwal
Company Secretary

s/d
Mukesh Baheti
Chief Financial Officer

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Sunita Palta
Director
DIN-03612793

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018

1. Corporate Information

Suratgarh Bikaner Toll Road Company Private Limited (or 'the Company') is a company incorporated and domiciled in India headquartered in Delhi with a registered office at Divine Bliss, 1st Floor, 2/3, Judges Court Road Kolkata, West Bengal 700027.

2. Statement of Compliance and Recent Pronouncements

2.1 Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2016 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financialstatements.

These are the Company's first Ind AS Standalone Financial Statements and the date of transition to Ind AS as required has been considered to be April 1, 2015.

The financial statement upto the year ended March 31, 2016, were prepared under the historical cost convention.

The financial statements have been prepared on accrual basis in accordance with the Generally Accepted Accounting and the Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, then applicable (Previous GAAP) to the company.Previous period figures in the Financial Statements have now been restated in compliance to Ind AS.

3. Significant Accounting Policies

Description of Business:

Road on DBFOT (Design, Build, Finance, Operate and Transfer) basis:

A 'Concession Agreement' entered into between Suratgarh Bikaner Toll Road Company Private Limited (termed as "concessionaire") and Public Works Department, Government of Rajasthan on 09.05.2012, conferred the rights of concession of 172.384 km road, to implement the project and recover the project cost, through levy of toll revenue over the toll period commencing from the date of start upto a period of 16 years (including construction period of 2 years). The concessionaire is required to pay premium of ` 2.50 crore in the first year of COD and an increase of 5% thereafter every year. The concessionaire is required to transfer the project asset to PWD, Government of Rajasthan, in accordance with the said concession agreement at the end of concession period.

3. 1.Basis of Prepration

The Financial Statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/ amortized costs at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IND AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest Lakhs, unless otherwise indicated.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

(a) Level 1:Quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2:Inputs other than quoted prices included within level 1 that are observable, either directly or indirectly, for the asset or liability.

(c) Level 3:Inputs for the asset or liability which is not based on observable market data.

3.2 Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years .

3.3 Property Plant & Equipment:

On transition to IND AS, the Company has elected to continue with the carrying value of all its property plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property,plant and equipment.

Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

3.4 Intangible Asset

The company initially recognises the intangible asset at Cost and subsequently meaure the intangible asset at its cost less accumulated amortisation and any impairment losses by following the Cost model as per Ind AS 38 "Intangible Assets". During the construction phase of the arrangement the company asset is classified as a right to receive a licence to charge users of the infrastructure. The company estimates the fair value of its consideration received or receivable as equal to the forecast construction costs.

In accordance with Ind AS 38, Intangible assets with finite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Other intangible assets are amortised on straight line basis over the period in which it is expected to be available for use by the company.

3.5 Financial Instruments

The company recognizes the financial assets and financial liabilities when the recognition criteria of financial instrument as specified under ***Ind AS 109*** is met.

Financials Asset

Initial recognition and measurement

All financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset except in the case of financial assets not recorded at fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

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

Financial Asset at amortised cost

A 'Financial Asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ("EIR") method. 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 in finance income in the profit or loss.

Financial Asset at Fair value through Other Comprehensive Income("FVTOCI")

A 'Financial Asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income ("OCI")

Financial Asset at fair Value through Profit & Loss ("FVTPL")

FVTPL is a residual category for Financial Assets. Any financial aset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the group may elect to designate a Financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Derognisition of Financial asset

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increases in credit risk. *Note-21* details how the group determines whether there has been a significant increase in credit Risk.

For trade receivables only, the company applies the simplified approach permitted by IND AS 109 Financial instrument, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial Liablities

Initial recognition and measurement

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.

Subsequent Measurement

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial Liablities at Amortised Cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

3.6 Provisions, Contingent liabilities and Contingent assets

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to a provision is presented in the statement of profit and loss

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

Provisions are reviewed at each balance sheet date

Contingent liabilities and assets

Contingent liability and assets are not recognised but are disclosed in the notes to the financial statements in accordance with **IND AS 37.**

3.7 Service Concession Arangements

The Company Operates and maintains infrastructure (operation services) used to provide a public service for a specified period of time.

These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Under Appendix A to Ind AS 11 – Service Concession Arrangements, these arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the company receives a right (i.e a franchisee) to charge users of the public services.

Income from the concession arrangements earned under the intangible asset model consists of the:

(i) fair value of the contract revenue, which is deemed to be fair value of the consideration transferred to acquire the asset; and

(ii) payments actually received from the users.

The intangible asset is amortised over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the company, starting from the date when the right to operate starts to be used. Based on these principles, intangible asset is amortised on the basis of revenue earned.

Any asset carried under concession agreements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal.

Determination of fair values of Intangible asset.

The fair value of Intangible assets consists of the amount spent on contruction of asset.

3.8 Revenue recognition

Revenue is recognised when all the significant risk and rewards are transferred as per terms and no uncertainity exists regarding the amount of the consideration that will be derived from the contract. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Revenue related to SCA :

Revenue related to construction under a service concession arrangement is recognised based on the stage of completion of the work performed

Service concession aggrangement: Exemption

On Transition to Ind As, the company has adopted optional exemption under Ind As -101 para D22 which provides to continue with the previous carrying amounts of those financial and intangible assets (however previously classified) as their carrying amounts as at the date of transition.

3.9 Interest Income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

3.10 Current Income Tax

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

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3.11 Deffered Tax

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

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity."

3.12 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.13 Segment reporting

The company's operation pre dominantly consist of infrastructure devolepment ,construction & operation , hence it operates in one business segment.

3.14 Cash Flow Statement

Cash flows are reported using the indirect method , whereby profit before tax is adjusted of the effects of transactions of a non-cash nature, any deferral or accruals of past or future operating cash reciept or payments and item of income or expenses assosiated with investing or financing cash flows. The cash flows from operating , investing and financing activities of the company are segregated.Cash and cash equivalent in the Balance sheet comprise cash and cash at bank.

3.15 Cash & Cash Equivalent

Cash & cash equivalents comprise of cash at bank and cash-in-hand. The Company consider all highly liquid investments which are subject to an insignificant risk of change in value with an original maturity of three months or less from date of purchase to be cash equivalent.

3.16 Employee benefits

Short Term:

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

Long Term:

Provident Fund: The contribution to provident fund is in the nature of defined contribution plan. The Company makes contribution to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952.The contribution paid or payable is recognized as an expense in the period in which services are rendered.

Gratuity & Leave Encashment(Un-Funded): The cost is determined using the projected unit credit method with actuarial valuation being carried at cash at each Balance Sheet date by an independent actuary. The retirement benefits obligation recognized in the Balance Sheet represent the present value of defined benefit obligation as adjusted for recognized past service cost

Actuarial gains and losses are recognized in full in the other comprehensive income for the period in which they occur.

Critical Accounting Judgments and Key Sources of Estimation Uncertainty:

The preparations of the financial statements in conformity with recognize measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known/materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgement and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance asset date, that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

(a) Impairment Allowances for Trade Receivables

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment loss as a result of the inability of the debtors to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

(b) Provisions and Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy. Based on management estimates the same does not qualify for recognition in the financial statements.

SURATGARH BIKANER TOLL ROAD COMPANY PRIVATE LIMITED

Notes on Financial Statements for the year ended 31st March, 2018

Rupees in Lakhs

	Particulars	As on 31st March, 2018	As on 31st March, 2017
4.	**INTANGIBLE ASSETS UNDER DEVELOPMENT**		
	Payment For Development Charges	52,102.36	52,102.36
	Design & Survey Charges	198.39	139.15
	Bank Changes	116.26	116.09
	Salary & Wages	191.61	176.75
	Interest on Term Loan	18,735.43	12,290.69
	Director Sitting Fees	4.00	4.00
	Filing Fee	106.68	106.68
	Travelling Expenses	1.67	1.37
	Independent Engineers Fees	605.77	533.77
	Insurance Charges	121.97	110.70
	Preliminary Expenses Written off	0.30	0.30
	Legal & Professional Fees	88.35	80.82
	Payment to Auditor		
	Audit fee	7.47	5.97
	Internal Audit Fee	0.48	0.37
	Certification Fee	1.80	1.80
	Loan Processing Fee	28.27	28.27
	Miscellanous Expenses	96.30	96.30
	Finance Cost (Transaction Cost amortised)	107.28	73.21
		72,514.39	65,868.60
5.	**Trade Receivables**		
	Outstanding for a period exceeding six months	83.73	83.73
	Others		-
	Unsecured, considered good (refer note 5.1)	83.73	83.73
5.1	Trade Receivables are subject to confirmation from certain parties.		
6.	**CASH AND CASH EQUIVALENTS**		
	Balances with banks in current account	8.40	10.06
		8.40	10.06
7.	**CURRENT TAX ASSET**		
	Tax Deducted at Source	24.08	24.08
		24.08	24.08
8.	**OTHER CURRENT ASSETS**		
	(Unsecured, considered good)		
	Prepaid expenses	10.88	8.86
		10.88	8.86

SURATGARH BIKANER TOLL ROAD COMPANY PRIVATE LIMITED

Notes on Financial Statements for the year ended 31st March, 2018

Rupees in Lakhs

	Particulars	As on 31st March, 2018	As on 31st March, 2017
9.	SHARE CAPITAL		
	Authorised		
	(C.Y. 17,00,70,000 equity shares of ` 10/- each.) (P.Y 17,00,70,000 equity shares of ` 10/- each.)	17,007.00	17,007.00
	Issued, subscribed and paid up		
	(C.Y. 17,00,70,000 equity shares of ` 10/- each fully paid up) (P.Y 17,00,70,000 equity shares of ` 10/- each fully paid up)	17,007.00	17,007.00
		17,007.00	17,007.00

9.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.03.2018		As at 31.03.2017	
	Number	Value (` in Lakhs)	Number	Value (` in Lakhs)
Equity Shares :				
No. of Shares outstanding at the beginning of the year	170,070,000	17,007	158,520,000	15,852
Add: Issued during the period	-	-	11,550,000	1,155
No. of Shares outstanding at the end of the year	170,070,000	17,007	170,070,000	17,007

9.2 The Company has only one class of equity shares having a par value of ` 10 per share. Each shareholder is eligible for one vote per share.In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preference amount, in proportion of their shareholding.

9.3 The details of shareholders holding more than 5% shares of the aggregate shares in the company:

Name of the shareholders	As at 31.03.2018		As at 31.03.2017	
	No. of shares	%	No. of shares	%
MBL Infrastructures Limited	10,02,70,000	58.96	10,02,70,000	58.96
MBL Projects Limited	6,97,82,250	34.30	5,83,32,250	34.30
MBL (A) Capital Limited			1,14,50,000	6.73

		As on 31st March, 2018	As on 31st March, 2017
10.	NON CURRENT FINANCIAL LIABILITY - BORROWINGS		
	<u>Secured term loan</u>		
	From banks	42,443.61	44,594.42
		42,443.61	44,594.42

10.1 Term loan availed by the company from banks **of Rs. 45000 Lakhs** is secured by following:

(i) First charge on all the movable & immovable assets of the company.
(ii) First charge on escrow account.
(iii) First charge on intangible assets.
(iv) First charge on all toll revenues and receivables.
(v) First charge on the funds in debt service reserve account.
(vi) Pledge of 51% equity shares of the company held by the holding company.

10.2 Maturity profile of long term borrowings are as set out below :* *Rupees in Lakhs*

Particulars	Rate of Interest (%)	within 1 year	1 to 2 years	2 to 3 years	beyond 3 years
From Bank	**12.50**	12,197.23	2,568.32	3,070.48	36,804.82

Interest rate is linked to base rate of the lender bank, which may vary.
* Resolution Plan has been submitted Bankers for consideration.

		As on 31st March, 2018	As on 31st March, 2017
11.	**CURRENT FINANCIAL LIABILITY - TRADE PAYABLES**		
	A) Total outstanding dues of micro enterprises and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006		-
	B)Total outstanding dues of Creditors other than micro enterprises and small enterprises under Micro, Small and Medium Enterprises	262.82	183.45
		262.82	183.45

11.1 Trade payables are subject to confirmation from certain parties.

		As on 31st March, 2018	As on 31st March, 2017
12.	**OTHER FINANCIAL LIABILITY- CURRENT**		
	Current maturities of long term borrowings		
	From a bank	2,366.74	165.86
		2,366.74	165.86
13.	OTHER CURRENT LIABILITIES		
	Statutory dues payable	486.46	479.70
	Other liabilities (refer note 13.1)	10,074.85	[illegible]
		10,561.31	[illegible]

13.1 Includes creditors for expenses etc.

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SURATGARH BIKANER TOLL ROAD COMPANY PRIVATE LIMITED

Notes on Financial Statements for the year ended 31st March, 2018

14. **Disclosure of related parties / related party transactions:**

In accordance with the requirements of IND AS 24 on related parties disclosures , name of the related party, related party relationship, transaction and outstanding balances including commitments where control exists and with whom transaction have taken place during the reporting period are:

A. Related party disclosures

Relationship	Name of the related party
Holding Company	MBL Infrastructures Limited
Key Management Personnel	a) Anjanee Kuamar Lakhotia (Director) b) Sunita Palta (Director) c) Mukesh Baheti (Chief Financial Officer) d) Ritu Agarwal (Company Secretary)

B. Transactions carried out with related parties referred in "A" above, in ordinary course of business

Rupees in Lakhs

Nature of Transactions	Holding Company		Key Management Personnel	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Development charges paid				
MBL Infrastructures Limited	-	7,522.02	-	-
Salary				
Mukesh Baheti	-	-	10.84	7.83
Manisha Choudhary	-	-	-	4.98
Ritu Agarwal	-	-	4.00	-
Director Sitting Fees				
Kumar Singh Baghel	-	-	-	0.45
Ram Dayal Modi	-	-	-	0.45
Sunita Palta	-	-	-	0.45

C. Balance outstanding as on 31st March, 2018

Nature of Transactions	Holding Company		Key Management Personnel	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Trade payable				
MBL Infrastructures Limited	172.35	157.49	-	-
MBL Projects Limited	11.20	-	-	-
Salary & Wages				
Manisha Choudhary	-	-	-	2.95

15. The Company has defaulted in the repayment of dues (interest and principal) during the period as per the original sanction letter and as detailed below:

Period of Default* Rupees in Lakhs

Terms Loan From Banks & Financial Institution	0 to 30 Days	31 to 60 Days	61 to 90 Days	Above 90 Days
Interest Amount	584.02	514.25	567.87	8,164.36
Principal Amount	150.00	-		650.00

*Resolution Plan has been submitted to the Bankers for consideration.

16. In the opinion of the Board of Directors, all the current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and all the known liabilities have been provided for.

The Company operates in only one segment, namely "Toll Roads" hence there are no reportable segments under Ind AS-108 'Segment Reporting'. Hence, separate business segment information is not applicable.

The board of directors of the company has been identified as The Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

Notes to the financial statement as on 31-03-2018

Note 17 : FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company principal financial asset includes loan , trade and other receivables, and cash and short-term deposits that arise directly from its operations.

The Company's activities are exposed to **market risk, credit risk and liquidity risk**.

I. Market risk

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 prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.
The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(i) The exposure of group borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Variable rate borrowings	44,810	44,760
Fixed rate borrowings	-	-
Total borrowings	**44,810**	**44,760**

(ii) Sensitivity

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Borrowings	+50	+50	-224	-224
	- 50	- 50	224	224

(b) Foreign currency risk

The Company does not operates internationally and as the Company has not obtained any foreign currency loans and also doesn't have any foreign currency trade payables and foreign receivables outstanding therefore, the company is not exposed to any foreign exchange risk.

(c) Price Risk

The company does not have any investments in equity and commodity at the current year end and previous year. Therefore the company is not exposed to price risk.

II. **Credit risk**

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an on going basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

(i) Actual or expected significant adverse changes in business.
(ii) Actual or expected significant changes in the operating results of the counterparty.
(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation
(iv) Significant increase in credit risk an other financial instruments of the same counterparty
(v) significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

The company's only source of revenue is from toll collection which is mostly collected in cash by company and only trade recievables that a company has are against the the grant to be recieved, which is a goverment authority ,therefore company is not exposed to any credit risk. Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

III. **Liquidity Risk**

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

As at March 31, 2018	Carrying Amount	On Demand	Less than One Year	More than one year	Total
Borrowings	44,810.35	-	2,366.74	42,443.61	44,810.35
Other Liabilities	262.82	-	75.35	187.47	262.82
Total	45,073.17	-	2,442.09	42,631.08	45,073.17

As at March 31, 2017	Carrying Amount	On Demand	Less than One Year	More than one year	Total
Borrowings	44,760.28	-	165.86	44,594.42	44,760.28
Other Liabilities	183.45	-		183.45	183.45
Total	**44,943.73**	-	**165.86**	**44,777.87**	**44,943.73**

Note 18 : Capital Management

(a) Risk Management

The primary objective of the Company's Capital Management is to maximize the shareholder value and also maintain an optimal capital structure to reduce cost of capital. In order to manage the capital structure, the Company may adjust the amount of dividend paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debts.

The Company monitors capital on the basis of following gearing ratio, which is net debt divided by total capital plus debt.

Particulars	As at March 31, 2018	As at March 31, 2017
Debt (Borrowings from Banks & Financial Institution)	45,073.17	44,943.73
Cash & bank balances	8.40	10.06
Net Debt	45,064.77	44,933.67
Total Equity	17,007.00	17,007.00
Net debt to equity ratio (Gearing Ratio)	264.98%	264.21%

Notes-

(i) Debt is defined as long-term and short-term borrowings including current maturities as described in notes 12
(ii) Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

SURATGARH BIKANER TOLL ROAD COMPANY PRIVATE LIMITED

Notes to the financial statement as on 31-03-2018

Note 19 : Fair Value Measurement Hierarchy

a) **Financial instruments by category**

The carrying value and the fair value of financial instruments by categories were as follows:

(Amount in Rs.)

Particulars	As at March 31, 2018	As at March 31, 2017
Financial Asset		
Measured at amortised cost		
Trade receivables	83.73	83.73
Other Financial Assets	-	-
Cash and Bank Balances	8.40	10.06
Total Financial Assets	**92.13**	**93.79**
Financial Liabilities		
Measured at amortised cost		
Borrowings	44,810.35	44,760.28
Trade payables	262.82	183.45
Total Financial Liabilities	**45,073.17**	**44,943.73**

b) **Fair Value Technique**

i) The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

ii) The fair value of cash and cash equivalents, trade receivables, current trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The Board considers that the carrying amounts of financial assets and financial liabilities recognised at cost/amortised cost in the financial statements approximates their fair values.

iii) Long-term debt has been contracted at floating rates of interest, which are reset at short intervals Fair value of variable interest rate borrowings approximates their carrying value of such long-term debt approximates fair value subject to adjustments made for transaction cost.

SURATGARH BIKANER TOLL ROAD COMPANY PRIVATE LIMITED

Notes on Financial Statements for the year ended 31st March, 2018

20 Previous year figures have been reclassified, regrouped, rearranged and recomputed to conform to this year's classification, wherever considered

21 Figures in the financial statements have been rounded off in rupees lakhs upto two decimal places.

Significant accounting policies and other accompanying notes (1 to 21) form an integral part of the financial statements.

As per our report on even date

For S.R.Goyal & Co.		**For and on behalf of the Board**
Chartered Accountants		
Firm Registration No.001537C		
	s/d	s/d
s/d	**Ritu Agarwal**	**Anjanee Kumar Lakhotia**
	Company Secretary	**Director**
(A.K. Atolia)		**DIN-00357695**
Partner		
Membership No. 077201		
	s/d	**Sunita Palta**
Place : New Delhi	Mukesh Baheti	**Director**
Dated : 30th May, 2018	Chief Financial Officer	**DIN-03612793**

MBL PROJECTS LIMITED

AUDITED ANNUAL ACCOUNTS

FOR FY 2017-18

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MBL PROJECTS LIMITED

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of **MBL PROJECTS LIMITED**('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement for the year then ended and the Statement of Changes inEquity and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31 March 2018 and its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure 'B'**.

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

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d
Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to statutory audit of M/s MBL PROJECTS LIMITEDfor the year ended 31 March 2018, we report that:

i. On the basis of information and explanations provided to us, the company did not own fixed assets at any-time during the year under audit, hence, clause (i) of the order is not applicable to the company

ii. Onthe basis of information and explanations provided to us, the company did not own inventory at any-time during the year under audit, hence, clause (ii) of the order is not applicable to the company

iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.

iv. 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 Act, with respect to the loans and investments made.

v. In our opinion and according to the information and explanations given to us, the Company did not receive any deposits covered under sections 73 to 76 of the Companies Act and the rules framed there under with regard to deposits accepted from the public during the year.

vi. The Central Government has prescribed maintenance of cost records under section 148 (1) of the Companies Act. We have broadly reviewed accounts and records and are of the opinion that prima facie, the prescribed accounts & records have been made & maintained but no detailed examination of such records and accounts have been carried out by us.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amount payable in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March, 2018for a period of more than six months from the date they became payable.

viii. According to the information and explanations given to us by the management, the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.

ix. Based on information and explanations given to us and records of the Company examined by us, in our opinion, the term loans have been applied for the purpose for which they were obtained.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhicompany. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d

Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act of M/s MBL PROJECTS LIMITED for the year ended 31 March 2018, we report that:

We have audited the internal financial controls over financial reporting of M/s MBL PROJECTS LIMITED ("the Company") as of 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d

Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

MBL PROJECTS LIMITED
Balance Sheet as at 31st March,2018

Rupees in Lakh

Particulars	Note No	As on 31.03.2018	As on 31.03.2017
ASSETS			
(1) Non current assets			
(a) Financial assets			
(i) Investment	4	6,984.24	8,825.23
(ii) Others	5	1,021.39	-
(b) Non Current tax assets (net)	6	2.38	2.38
(c) Other Non Current Assets	7	418.59	-
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	8	10.03	0.36
(ii) Others	9	746.19	-
(b) Other Current Assets	10	104.65	-
TOTAL ASSETS		**9,287.47**	**8,827.97**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11	2,984.25	2,984.25
(b) Other equity		(738.90)	(17.85)
LIABILITIES			
(1) Non current liabilites			
(a) Financial liabilites			
(i) Other financial liability	12	3,716.92	5,328.72
(b) Deferred tax liabilites (net)	13	24.89	9.16
(c) Other non current liabilties	14	1,469.85	521.49
(2) Current liabilites			
(a) Financial liabilites			
(i) Other financial liability	15	6.58	2.10
(b) Other current liabilites	16	1,823.87	0.10
TOTAL EQUITY & LIABILITY		**9,287.47**	**8,827.97**

Significant accounting policies and other accompanying notes (1 to 29) form an integral part of the financial statements.

As per our report on even date
For D Ghosh & Associates
Chartered Accountants
Firm Registration No. 326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

Place : New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d

Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d

Rama Shankar Singh
Chief Financial Officer

s/d

Sunita Palta
Director

s/d

Om Prakash Sharma
Company Secretary

MBL PROJECTS LIMITED

Statement of Profit and Loss for the period ended 31st March,2018

Rupees in Lakh

Particulars		For the year ended 2018	For the year ended 2017
INCOME			
Revenue from operation	17	2,300.00	16.90
Other income	18	376.36	313.75
(A) TOTAL INCOME		**2,676.36**	**330.65**
EXPENSES			
Cost of materials consumed		-	-
Employee benefits expense	19	43.09	14.18
Finance costs	20	333.09	319.09
Other expenses	21	3,005.49	2.44
(B) TOTAL EXPENSES		**3,381.67**	**335.70**
(C) Profit/(Loss) before exceptional items and tax (A-B)		**(705.32)**	**(5.06)**
(D) Exceptional Items			-
Profit/(Loss) before tax (C-D)		**(705.32)**	**(5.06)**
Tax Expense:			
(1) Current Tax		-	0.09
(2) Income Tax for earlier years			-
(3) Deferred Tax		15.73	(1.85)
Total Profit/(Loss) for the period (E)		**(721.05)**	**(3.30)**
OTHER COMPREHENSIVE INCOME			-
Remeasurements of the Net Defined Benefit Plans:			
Remeasurements of the net defined benefit plans - Remeasurement of employee benefit obligations			-
Remeasurements of the net defined benefit plans - Income tax effect			-
Total Other Comprehensive Income (F)			-
Total INCOME (E+F)		**(721.05)**	**(3.30)**
Earning per equity share(Face Value Rs. 10/- each)		(2.42)	(0.01)
Basic			
Diluted			

Significant accounting policies and other accompanying notes (1 to 29) form an integral part of the financial statements.

As per our report on even date
For D Ghosh & Associates
Chartered Accountants
Firm Registration No. 326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Rama Shankar Singh
Chief Financial Officer

s/d
Sunita Palta
Director
DIN-03612793

s/d
Om Prakash Sharma
Company Secretary

Place : New Delhi
Dated : May 30th, 2018

MBL PROJECTS LIMITED
Statement of changes in equity for the year ended 31st March 2018

A **Equity Share Capital**

Particulars	Share Capital
Balance as on April 01, 2016	2,984.25
Add: Changes during the year 2016-17	-
Balance as on March 31, 2017	2,984.25
Add: Changes during the year 2017-18	-
Balance as on March 31, 2018	2,984.25

B **Other equity**

Particulars	Retained Earnings	Total
Balance as on April 01, 2016	**(14.55)**	**(14.55)**
Profit for the year	(3.30)	(3.30)
Balance as on March 31, 2017	**(17.85)**	**(17.85)**
Profit for the year	(721.05)	(721.05)
Balance as on March 31, 2018	**(738.90)**	**(738.90)**

Retained Earnings generally represent the undistributed profits /amount of accumulated earnings of the Company.

The accompaying notes are an integral part of these financial statement

As per our report on even date

For D Ghosh & Associates
Chartered Accountants
Firm Registration No. 326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

Place : New Delhi
Dated : May 30th, 2018

s/d

Rama Shankar Singh
Chief Financial Officer

s/d

Om Prakash Sharma
Company Secretary

For and on behalf of the Board

s/d

Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d

Sunita Palta
Director
DIN-03612793

MBL PROJECTS LIMITED
Cash Flow Statement for the year ended 31st March, 2018

Rupees in Lakh

	For the year ended 31.03.2018	For the year ended 31.03.2017
A. Cash flow from operating activities		
Net profit before tax	(705.32)	(5.06)
Adjustments For		
Finance Cost	333.09	319.09
Interest Income	(376.36)	(313.75)
Operating profit before working capital changes	(748.58)	0.28
Adjustments for Working Capital Changes:		
Increase / (Decrease) in Other Long term Liabilities	948.36	312.52
Increase / (Decrease) in Other Current Liabilities	1,828.26	(623.39)
Increase / (Decrease) in Non current Assets	(1,439.99)	-
Increase / (Decrease) in Other Current Assets	(850.84)	(0.09)
Net cash generated from / (used in) operating activities	(262.79)	(310.67)
Direct Tax Paid (Net of refund received)	-	0.09
	(262.79)	**(310.75)**
B. Cash flow from investing activities		
(Additions)/Disposals of investments	1,840.99	(24.98)
Net cash generated from / (used in) investing activities	**1,840.99**	**(24.98)**
C. Cash flow from financing activities		
Proceeds from issue of equity share capital		
Prcoceeds(Repayment) from Long term Borrowings	(1,611.80)	332.69
Interest and Other Finance Charges	43.27	(5.34)
Net cash generated from / (used in) financing activities	**(1,568.53)**	**327.35**
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	**9.67**	**(8.39)**
Opening balance of cash & cash equivalents	**0.36**	**8.75**
Closing balance of cash & cash equivalents (refer note 6)	**10.03**	**0.36**

The accompanying notes are an integral part of these financial statement

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

For D Ghosh & Associates
Chartered Accountants
Firm Registration No. 326859E

s/d
(Debasish Ghosh)
Partner
Membership No. 052653
Place : New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Rama Shankar Singh
Chief Financial Officer

s/d
Sunita Palta
Director
DIN-03612793

s/d
Om Prakash Sharma
Company Secretary

MBL PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018

1. Corporate Information

MBL Projects Limited (or 'the Company') is a company incorporated and domiciled in India and is incorporated under the provisions of companies Act applicable in India and a registered office at Baani Corporate One Tower, Suite No. 303 3rd Floor, Plot No. 5, Dist. Commercial Centre, Jasola New Delhi 110076.

Description of Business:

MBL Projects Limited was incorporated in the year 2012 to execute infrastructure projects on BOT (Build-Operate- Transfer) basis, directly or through Investment in subsidiaries to be formed as SPV (Special Purpose Vehicles) for the execution of such projects. The objective of MBL Projects Limited is to consolidate the BOT Projects undertaken by MBL Infrastructures Limited by making investments in BOT Projects and transfer of existing investments made by MBL Infrastructures Limited in BOT Projects. The Company would be a single-window operational forefront for all BOT Projects of MBL Infrastructures Limited and thereby providing a radical and systematic execution of the BOT Projects.

2. Statement of Compliance and Recent Pronouncements

2.1 Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2016 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

The financial statements have been prepared on accrual basis in accordance with the Generally Accepted Accounting and the Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, then applicable (Previous GAAP) to the company.Previous period figures in the Financial Statements have now been recasted/restated in compliance to Ind

2.2 Recent Pronouncements

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"

3. Significant Accounting Policies

3. 1.Basis of Prepration

The Financial Statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/ amortized costs at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IND AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest Lakh, unless otherwise indicated.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

(a) Level 1:Quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2:Inputs other than quoted prices included within level 1 that are observable, either directly or indirectly, for the asset or liability.

(c) Level 3:Inputs for the asset or liability which is not based on observable market data.

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

3.2 Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities (financial instruments) 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 the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within the operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, Fair Value through Profit and Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

(i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.
The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.
The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii)Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.
The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vi) Impairment of financial assets

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.
The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vii) Derecognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.
On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

3.3 Provisions, Contingent liabilities and Contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized 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 Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3.4 Revenue recognition

Revenue is recognised when all the significant risk and rewards are transferred as per terms and no uncertainity exists regarding the amount of the consideration that will be derived from the contract. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

3.5 Interest Income

Interest has been accounted using effective interest rate method. Insurance claims/ other claims are accounted as and when admitted /

3.6 Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current Tax

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is accounted for using the balance sheet liability method in respect of temporary Differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.

Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled. Deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to other comprehensive income in equity, in which case the corresponding deferred tax is also recognized directly in equity.

3.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.8 Employee benefits

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Critical Accounting Judgments and Key Sources of Estimation Uncertainty:

The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of Intangible assets, allowance for doubtful debts/advances, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

MBL PROJECTS LIMITED
Notes on Financial Statements for the year ended 31st March, 2018

	Particulars	As at 31.03.2018	As at 31.03.2017
4	**NON CURRENT INVESTMENTS:**		
	Investment in Equity Instruments (at Cost)		
	Subsidiaries Company -Partly owned		
	MBL (MP) Road Nirman Company Limited	-	2,977.00
	2,97,70,000 (29770000) equity shres of Rs. 10/- each fully paid		
	MBL (CGRG) Road Limited	-	5.00
	49,950 (0) equity shares of Rs. 10/- each fully paid		
	MBL (GSY) Road Limited	-	5.00
	49,950 (0) equity shares of Rs. 10/- each fully paid		
	MBL (RGY) Road Limited	1.00	-
	MBL (Udaipur Bypass) Road Limited	5.00	5.00
	49,950 (0) equity shares of Rs. 10/- each fully paid		
	In Associates		
	Suratgarh Bikaner Toll Road Company Private Limited	6,978.23	5,833.23
	6,97,82,250 (5,82,32,250) equity shares of Rs. 10/- each fully paid		
	Measured at FVTPL		
	In Others		
	Orissa Steel Expressway Private Limited*	0.02	0.02
	200 (200) equity shares of Rs. 10/- each fully paid		
		6,984.24	8,825.23
*	Investment in Orissa Steel Expressway Private Limited has been carried at cost.		
5	**OTHER FINANCIAL ASSETS**		
	Other Advances	1,021.39	-
		1,021.39	-
6	**CURRENT TAX ASSET(NET)**		
	Tax deducted at source (refer note 6.1)	2.38	2.38
		2.38	2.38
6.1	Tax deducted at source of Rs. 2,55,000/- (2,55,000/-) is net of provision for taxation Rs.17,400 (17,400/-).		
7	**OTHER NON CURRENT ASSETS**		
	Prepaid Assets	418.59	-
		418.59	-
8	**CASH AND BANK BALANCES**		
	Cash and cash equivalents		
	Bank Balance	0.17	0.36
	Cash on hand	9.87	-
		10.03	0.36
9	**OTHER FINANCIAL ASSETS**		
	Other Advances	746.19	
		746.19	-
10	**OTHER CURRENT ASSETS**		
	Prepaid Assets	104.65	-
		104.65	-
11	**SHARE CAPITAL**		
	Authorised		
	5,00,00,000 (5,00,00,000) equity shares of ` 10/- each	5,000.00	5,000.00
	Issued, subscribed and paid up		
	2,98,42,500 (PY 2,98,42,500) equity shares of ` 10/- each fully paid up	2,984.25	2,984.25
		2,984.25	2,984.25

11.1 The Company has only one class of equity shares having a par value of ` 10 per share. Each shareholder is eligible for one vote per share.In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preference amount, in proportion of their shareholding.

11.2 The details of shareholders holding more than 5% shares of the aggregate shares in the company:

Name of the shareholders	As at 31.03.2018		As at 31.03.2017	
	No. of shares	%		
MBL Infrastructures Limited	1,49,51,100	50.10%	1,49,51,100	50.10%
MBL (A) Capital Limited	1,48,91,400	49.90%	1,48,91,400	49.90%
	2,98,42,500	100.00%	2,98,42,500	100.00%

MBL PROJECTS LIMITED

Notes on Financial Statements for the year ended 31st March, 2018

	Particulars	As at 31.03.2018	As at 31.03.2017
12	**NON CURRENT FINANCIAL LIABILITY**		
	Others	3,716.92	5,328.72
		3,716.92	5,328.72
13	**DEFERRED TAX LIABILITIES**		
	The following is the analysis of deferred tax liabilities presented in the Balance Sheet:		
	Deferred tax liabilites (net)	24.89	9.16
		24.89	9.16

Gross deferred tax liability and assets for the year ended 31st March 2018 are as follows:

Particulars	Opening Balance 01.04.2017	Recognised in Profit & Loss	Closing Balance 31.03.2018
Deferred Tax Liabilities			
Difference in carrying value and tax base of Financial Liability	189.64	471.11	660.75
Total Deferred Tax Liabilities	**189.64**	**471.11**	**660.75**
Deferred Tax Assets			
Difference in carrying value and tax base of Non Financial Liability	180.48	455.38	635.86
Total Deferred Tax Assets	**180.48**	**455.38**	**635.86**
Deferred Income Tax Liabilities/(Assets) after set off	**9.16**	**15.73**	**24.89**

	Particulars	As at 31.03.2018	As at 31.03.2017
14	**OTHER NON CURRENT LIABILTIES**		
	Deferred Credit	1,469.85	521.49
		1,469.85	521.49
15	**OTHER FINANCIAL LIABILITY**		
	Salary Payble	2.11	1.20
	Other liabilities	4.47	0.90
		6.58	2.10
16	**OTHER CURRENT LIABILITY**		
	Statutory dues payable	6.18	0.10
	Deferred Credit	367.46	-
	Other Advances	1,450.23	-
		1,823.87	0.10

MBL PROJECTS LIMITED

Notes on Financial Statements for the year ended 31st March, 2018

		For the year ended 31.03.2018	For the year ended 31.03.2017
17	**INCOME - REVENUE FROM OPERATIONS**		
	Gross Receipt		
	Income from operation	2,300.00	16.90
		2,300.00	16.90
18	**OTHER INCOME**		
	Other Income		-
	Finance Income on account of Amortisation of Loan	367.24	313.75
	Finance Income on account of Amortisation of Advances	9.12	-
		376.36	313.75
19	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages and bonus	43.09	14.18
		43.09	14.18
20	**FINANCE COSTS**		
	Finance Cost on account of Amortisation of Loan	295.30	319.09
	Finance Cost on account of Amortisation of Advances	11.31	-
	Loss on Change in Estimates	26.48	-
		333.09	319.09
21	**OTHER EXPENSES**		
	Expenses - Other Expenses		
	Payment to auditors		
	Statutory Audit	0.12	0.12
	Filing fees	0.04	-
	Directors Sitting Fees	-	0.60
	Legal & professional fees	20.20	0.07
	Preliminary expenses written off	-	1.52
	Miscellaneous expenses	0.13	0.14
	Stock Written off	2,977.00	-
	Travelling Expenses	8.00	-
		3,005.49	2.44

22 RELATED PARTY DISCLOSURES:

In accordance with the requirements of IND AS 24 on related parties disclosures , name of the related party, related party relationship, transaction and outstanding balances including commitments where control exists and with whom transaction have taken place during the reporting period are:

A. Related party disclosures

Relationship	Name of the related party
Holding company	MBL Infrastructures Limited
Subsidiary company	MBL (Udaipur Bypass) Road Limited
Key Management Personnel	Rama Shankar Singh(Chief Financial Officer) Om Prakash Sharma (Company Secretary)
Enterprises owned or significantly influenced by key management personnel or their relatives	MBL (MP) Toll Road Company Limited MBL Highway Development Company Limited Suratgarh Bikaner Toll Road Company Pvt Ltd MBL A Capital Ltd

B. Transactions carried out with the related party referred in "A" above, in the ordinary course of business

A. Transactions — Rupees In Lakhs

Particulars	Holding Company		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Consultancy fee received						
MBL (MP) Toll Road Company Limited					-	16.90
Advance Given						
MBL Highway Development Company Limited					0.89	-
Suratgarh Bikaner Toll Road Company Pvt Ltd					11.20	-
MBL A capital Ltd					1,546.83	-
Advance Received						
MBL Infrastructures Limited	9.64	14.69				
Advance Repaid						
MBL Infrastructures Limited	264.66	-				

B. Outstanding Balance — Rupees In Lakhs

Particulars	Holding Company		Key Managerial Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Other Current Advances						
MBL Highway Development Co. Ltd					0.89	-
Suratgarh Bikaner Toll Road Co. Pvt Ltd					11.20	-
Other Non Current Assets						
MBL A capital Limited					1,021.39	-
Other Financial Liabilities						
MBL Infrastructures Limited	3,711.42	5,327.72				
MBL (MP) Toll Road Company Limited	-	-			2.42	
Deferred (Amortized Cost)						
MBL A Capital Ltd					523.24	-
MBL Infrastructures Limited	1,837.31	521.49				

23 CAPITAL MANAGEMENT

(a) Risk Management

The primary objective of the Company's Capital Management is to maximize the shareholder value and also maintain an optimal capital structure to reduce cost of capital. In order to manage the capital structure, the Company may adjust the amount of dividend paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debts.

The Company monitors capital on the basis of following gearing ratio, which is net debt divided by total capital plus debt.

Since there is no debt or borrowed funds, hence no disclosure is given on Capital Gearing ratio.

24 Fair Value Measurement Hierarchy

a) **Financial instruments by category**

The carrying value and the fair value of financial instruments by categories were as follows:

Rs in lakh

Particulars	As at March 31, 2018	As at March 31, 2017
Financial Asset		
Measured at amortised cost*		
Cash and Bank Balances	10.03	0.36
Measured at FVTPL*		
Investment in others	0.02	0.02
Total Financial Assets	**10.05**	**0.38**
Financial Liabilities		
Measured at amortised cost*		
Other Financial Liabilities	3,716.92	5,328.72
Total Financial Liabilities	**3,716.92**	**5,328.72**

* Both financial asset and financial liability are measured using Level II inputs

b) **Fair Value Technique**

i) The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

ii) The fair value of cash and cash equivalents, trade receivables, current trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The Board considers that the carrying amounts of financial assets and financial liabilities recognised at cost/amortised cost in the financial statements approximates their fair values.

iii) Long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value of such long-term debt approximates fair value subject to adjustments made for transaction cost.

iv) The Company has neither entered into any foreign currency transaction nor it has taken any borrowings (except dues to holding Company) . The Company is threfore not exposed to foreign cucurrency or interest risk. The Company financial asset primarily comprises of investment in subsidiary and associates which are not listed in stock exchange. These investments are unquoted long term strategic in nature and hence the Company is not exposed any market risk.

25 Financial Risk Management

The Company's activities expose it to a variety of financial risks, market risk, credit risk and liquidation risk. The Company's focus is to forsee the unpredictability of financial markets and seek to minimise financial adverse effects on its financial performance. The Company senior management oversees the managment of market risk. The risks are governed by appropriate policies and procedures and that the financial are identified, measured, and managed in accordance with the Company policies and risk objectives.

I. **Market risk**

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 prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk.

II. **Credit risk**

The company has no debt outstanding from its customer and as such there is no exposure to the credit risk.

III. **Liquidity Risk**

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

Other Liabilities

Year	Carrying Amount	On Demand	Less than One Year	More than one year	Total
As at March 31, 2018	3,723.50	-	6.58	3,716.92	3,723.50
Total	**3,723.50**	-	**6.58**	**3,716.92**	**3,723.50**

Year	Carrying Amount	On Demand	Less than One Year	More than one year	Total
As at March 31, 2017	5,330.82		2.10	5,328.72	5,330.82
Total	**5,330.82**	-	**2.10**	**5,328.72**	**5,330.82**

The above dues are payable to Holding Company . There are no sigificant liabilities payable to external indeoendent parties and hance the Company is not exposed to liquidity risks.

26 The company's operation predominantly consist of infrastructure development, construction and operation and this is its operating business segment and all other activities revolve around the main activity. Accordingly, there being no other reportable segment separate disclosures as per Ind AS 108 "Operating Segments" have not been made.

27 Tax Expense

(a) The major components of income tax expense for the year are as under:

(Amount in Lakh)

	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
(i)	Income tax recognised in the Statement of Profit and Loss		
	Current Tax	-	0.09
	Income Tax for earlier years	-	-
	Deferred Tax	15.73	(1.85)
	Total Income tax expenses recognised in statement of	**15.73**	**(1.76)**
(ii)	Income tax expense recognised in OCI	-	-
	Deferred tax expense on remeasurement of defined benefit pla	-	-
	Income tax expense recognised in OCI	-	-

(b) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income rate to recognised income tax expense for the year indicated are as below:

(Amount in Lakh)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Accounting Profit/(Loss) before tax	**(705.32)**	**(5.06)**
Statutory income tax rate	33.90%	33.90%
Tax at statutory income tax rate	(239.10)	(1.71)
Temporary differences	15.73	(1.85)
Others	239.10	1.80
Total	15.73	(1.76)

28 Earnings per Share

Basic and diluted earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

(₹ In Lacs except otherwise stated)

	Particulars	31st March, 2018	31st March, 2017
i.	Profit/(loss) attributable to equity shareholders	(721.05)	(3.30)
ii.	Weighted average number of equity shares	298	298
iii.	Basic & diluted earnings per equity share (In ₹)*	(2.42)	(0.01)

29 The financial statements have been approved by the board of Directors of the Company on 30th May,2018 for issue to the shareholders for their adoption.

As per our report on even date

For D Ghosh & Associates
Chartered Accountants
Firm Registration No. 326859E

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
(Debasish Ghosh)
Partner
Membership No. 052653

s/d
Rama Shankar Singh
Chief Financial Officer

s/d
Sunita Palta
Director
DIN-03612793

s/d
Om Prakash Sharma
Company Secretary

New Delhi
Dated : May 30th, 2018

AAP INFRASTRUCTURES LIMITED

AUDITED ANNUAL ACCOUNTS

FOR FY 2017-18

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AAP INFRASTRUCTURES LIMITED

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of **AAP INFRASTRUCTURES LIMITED('the Company')**, which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement for the year then ended and the Statement of Changes inEquity and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaidInd 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 31 March 2018 and its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure 'B'**.

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

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d
Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to statutory audit of M/s AAPInfrastructures Limitedfor the year ended 31 March 2018, we report that:

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

(b) The fixed assets have been physically verified wherever practicable on a phased manner by the management/ internal auditors and the reconciliation of the quantities with the book records has been done on continuous basis. As informed no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. Onthe basis of information and explanations provided to us, the company did not own inventory at any-time during the year under audit, hence, clause (ii) of the order is not applicable to the company

iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.

iv. 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 Act, with respect to the loans and investments made.

v. In our opinion and according to the information and explanations given to us, the Company did not receive any deposits covered under sections 73 to 76 of the Companies Act and the rules framed there under with regard to deposits accepted from the public during the year.

vi. The Central Government has prescribed maintenance of cost records under section 148 (1) of the Companies Act. We have broadly reviewed accounts and records and are of the opinion that prima facie, the prescribed accounts & records have been made & maintained but no detailed examination of such records and accounts have been carried out by us.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities*except for Tax deducted at Source by them which are not deposited.*

(b) According to the information and explanations given to us, no undisputed amount payble in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March, 2018for a period of more than six months from the date they became payble.

viii. According to the information and explanations given to us by the management, the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.

ix. Based on information and explanations given to us and records of the Company examined by us, in our opinion, the term loans have been applied for the purpose for which they were obtained.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhicompany. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d

Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date: 30th day of May, 2018

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act of M/s AAPInfrastructures Limited for the year ended 31 March 2018, we report that:

We have audited the internal financial controls over financial reporting of M/s AAPInfrastructuresLimited ("the Company") as of 31st March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial

reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d
Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date: 30th day of May, 2018

AAP Infrastructure Limited
Balance Sheet as at 31st March,2018

(Rs in Lakh)

Particulars	Note No	As on 31st March, 2018	As on 31st March, 2017
ASSETS			
(1) Non current assets			
(a) Other Intangible assets	4	-	2,139.44
(b) Financial assets			
(i) Trade Receivables	5	-	1,594.33
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	6	27.54	28.28
(ii) Bank Balances other than (i) above	7	75.36	66.99
(iii) Others	8	135.10	128.22
(b) Other current assets	9	-	0.52
TOTAL ASSETS		**238.00**	**3,957.79**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	10	1,200.00	1,200.00
(b) Other equity	11	-2,733.21	1,172.21
LIABILITIES			
(1) Non current liabilites			
(a) Financial liabilites			
(i) Borrowings		-	-
(b) Deferred tax liabilites (net)	12	-	2.74
(2) Current liabilites			
(a) Financial liabilites			
(ii) Trade payables	13	72.62	62.77
(iii) Other financial liability	14	1,615.05	1,435.72
(b) Other current liabilites	15	8.13	7.73
(c) Current Tax Liabilties (net)	16	75.41	76.61
TOTAL EQUITY & LIABILITY		**238.00**	**3,957.79**

Significant Accounting Policies and other accompanying notes (1- 31) are in intergral part of the financial statements.

In terms of our report of even date attached.
For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d
(Debasish Ghosh)
Partner
Membership No. 052653

For and on behalf of the Board

s/d
(Sudhanshu Chaturvedi)
Director
DIN-03118327

s/d
(Ankit Jhawar)
Chief Financial Officer

s/d
(Prakash)
Director
DIN-07305062

Place : New Delhi
Dated : May 30th, 2018

AAP Infrastructure Limited
Statement of Profit and Loss for the period ended 31st March,2018

Particulars	Note No	As on 31st March, 2018	As on 31st March, 2017
INCOME			
Revenue from operation	17	34.31	1,345.95
Other income	18	6.70	16.83
(A) TOTAL INCOME		**41.01**	**1,362.79**
EXPENSES			
Cost of materials consumed			-
Employee benefits expense	19	7.02	7.18
Finance costs	20	201.14	306.24
Depreciation and amortisation expense (Ammortisation of Intangible Assets)		29.54	790.29
Other expenses	21	7.25	278.11
(B) TOTAL EXPENSES		**244.95**	**1,381.81**
(C) Profit/(Loss) before exceptional items and tax (A-B)		**-203.93**	**-19.03**
(D) Exceptional Items	22	3,704.23	-
(E) Profit/(Loss) after exceptional items and before tax (A-B-D)		**-3,908.17**	**-19.03**
Tax Expense:			
(1) Current Tax		-	0.12
(2) Income Tax for earlier years		-	-
(3) Deferred Tax		-2.74	-6.79
Total Profit/(Loss) for the period (E)		**-3,905.43**	**-12.36**
OTHER COMPREHENSIVE INCOME			-
i. Items that will not be reclassified to profit or loss			-
ii. Income tax relating to items that will not be reclassified to profit or loss			-
Total Other Comprehensive Income (i+ii) (F)		-	-
Total INCOME (E+F)		**-3,905.43**	**-12.36**
Earning per equity share(Face Value Rs. 10/- each) (in Rs.) Basic and Diluted	29	-32.55	-0.10

Significant Accounting Policies and other accompanying notes (1- 31) are in intergral part of the financial statements.

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d
(Debasish Ghosh)
Partner
Membership No. 052653

For and on behalf of the Board

s/d
(Sudhanshu Chaturvedi)
Director
DIN-03118327

s/d
(Ankit Jhawar)
Chief Financial Officer

s/d
(Prakash)
Director
DIN-07305062

Place : New Delhi
Dated : May 30th, 2018

AAP Infrastructure Limited

Statement of changes in equity for the year ended 31st March 2018

A **Equity Share Capital**

Particulars	(Rs in Lakh)
Balance as on April 1, 2016	1,200
Add: Shares issued during the year 2016-17	-
Balance as on March 31, 2017	1,200
Add: Bonus Shares issued during the year 2017-18	-
Balance as on March 31, 2018	1,200

B **Other equity**

(Rs in Lakh)

Particulars	Reserve and Surplus		Total
	General Reserve	Retained Earnings	
Balance as on March 31, 2017	-	**1,172.21**	**1,172.21**
Profit for the year	-	-3,905.43	-3,905.43
Balance as on March 31, 2018	-	**-2,733.21**	**-2,733.21**

Refer note 11 for nature and purpose of reserves

Significant Accounting Policies and other accompanying notes (1- 31) are in intergral part of the financial statements.

This is the Statement of Changes in Equity referred to in our report of even date

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d
(Debasish Ghosh)
Partner
Membership No. 052653

For and on behalf of the Board

s/d
(Sudhanshu Chaturvedi)
Director
DIN-03118327

s/d
(Ankit Jhawar)
Chief Financial Officer

s/d
(Prakash)
Director
DIN-07305062

Place : New Delhi
Dated : May 30th, 2018

AAP INFRASTRUCTURE LIMITED

Cash Flow Statement for the year ended 31st March, 2018

	For the year ended 31.03.2018		For the year ended 31.03.2017	
A. Cash flow from operating activities				
Net profit before tax & extraordinary items		-203.93		-19.03
Adjusted for :				
Depreciation/amortisation expenses	29.54		790.29	
Interest on fixed deposit	-6.70		-16.83	
Finance cost	201.14	223.98	306.24	1,079.70
Operating profit before working capital changes		20.05		1,060.67
Adjusted for :				
(Increase) / Decrease in Financial Assets	-15.24		-1,282.87	
(Increase) / Decrease in Other Assets	0.52		0.05	
Increase / (Decrease) in trade paybles	9.85		25.39	
Increase / (Decrease) in Financial Liabilities	179.33		212.35	
Increase / (Decrease) in other liabilities	0.40		-1.79	
Cash generated from operations		194.91		13.80
Less: Direct taxes paid		1.20		1.46
Net cash generated from / (used in) operating activities		**193.71**		**12.34**
B. Cash flow from financing activities				
(Repayments) / Proceeds of term loan	-		-922.08	
Interest on fixed deposit	6.70		16.83	
Interest on term loan	-201.14		-298.64	
Net cash generated from / (used in) financing activities		**-194.44**		**-1,203.89**
Net Increase / (Decrease) in cash and cash equivalents (A+B)		**-0.73**		**-1,191.54**
Opening balance of cash & cash equivalent		**28.27**		**1,219.81**
Closing balance of cash & cash equivalent (refer note 6)		**27.54**		**28.27**

The accompanying notes are an integral part of these financial statement

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653
Place : New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d

(Sudhanshu Chaturvedi)
Director
DIN-03118327

s/d
Ankit Jhawar
Chief Financial Officer

s/d
(Prakash)
Director
DIN-07305062

1. Corporate Information
AAP Infrastructure Limited (or 'the Company') is a company incorporated and domiciled in India headquartered in Delhi with a registered office at Divine Bliss, 1st Floor, 2/3, Judges Court Road Kolkata, West Bengal 700027.

Description of Business:

Road on DBFOT (Design,Build, Finance, Operate &Transfer) basis:
A 'Concession Agreement' entered into between MBL Infrastructures Ltd., AAP Infrastructure Ltd. (Jointly termed as "concessionaire") and MP Road Development Corporation Ltd. (MPRDC) (formerly Madhya Pradesh Rajya Setu Nirman Nigam Limited) conferred the rights of concession of 114 km road, to implement the project and recover the project cost, through levy of toll revenue over the toll period commencing from the date of start upto a period of 5440 days.The concessionaire is required to transfer the project asset to MPRDC in accordance with the said concession agreement at the end of concession period. MPRDC by order No. 4313/ MPRDC/BOT/10/Maint./2017 dated 08th June 2017 suspended the right to collect toll and by order No. 20177/Seoni-Balaghat-Gondia Road/BOT/MPRDC/2017 Bhopal dated 23/02/2018 terminated the concession agreement.

2. Statement of Compliance and Recent Pronouncements

2.1 Statement of Compliance
The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2016 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.
The financial statements have been prepared on accrual basis in accordance with the Generally Accepted Accounting and the Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, then applicable (Previous GAAP) to the company.Previous period figures in the Financial Statements have now been recasted/restated in compliance to Ind AS.

2.2 Recent accounting Pronouncements

Ind AS 115
In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.
Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.
The standard permits two possible methods of transition:
• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"

3. Significant Accounting Policies
3. 1.Basis of Prepration
The Financial Statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/ amortized costs at the end of each reporting period.
Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.
As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IND AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.
The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest Lakh, unless otherwise indicated.
Fair Value Measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.
The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:
(a) Level 1:Quoted prices (unadjusted) in active markets for identical assets or liabilities.
(b) Level 2:Inputs other than quoted prices included within level 1 that are observable, either directly or indirectly, for the asset or liability.
(c) Level 3:Inputs for the asset or liability which is not based on observable market data.

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

3.2 Property Plant & Equipment:
On transition to IND AS, the Company has elected to continue with the carrying value of all its property plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property,plant and equipment.
Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

3.3 Intangible Asset
The company initially recognises the intangible asset at Cost and subsequently meaure the intangible asset at its cost less accumulated amortisation and any impairment losses by following the Cost model as per Ind AS 38 "Intangible Assets" . During the construction phase of the arrangement the company asset is classified as a right to receive a licence to charge users of the infrastructure. The company estimates the fair value of its consideration received or receivable as equal to the forecast construction costs .
In accordance with Ind AS 38, Intangible assets with finite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Other intangible assets are amortised on straight line basis over the period in which it is expected to be available for use by the company.

3.4 Derecognition of Tangible and Intangible assets
An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.5 Impairment of Tangible and Intangible Assets
Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.
Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

3.6 Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities (financial instruments) 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 the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within the operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, Fair Value through Profit and Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

(i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial Liabilities measured at amortised cost
Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.
The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.
The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii)Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.
The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vi) Impairment of financial assets

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.
The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vii) Derecognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

3.7 Provisions, Contingent liabilities and Contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized 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.

Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3.8 Service Concession Arangements

The Company recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognitions of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition, the intangible assets is measured at cost, less any accumulated amortisations and accumulated impairment losses.

3.9 Revenue recognition

(i) Revenue is recognised when all the significant risk and rewards are transferred as per terms and no uncertainity exists regarding the amount of the consideration that will be derived from the contract. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.
(ii) In respect of construction/ project related activity, the Company follows percentage of completion method. Percentage of completion is determined by survey of work performed / physical measurement of work actually completed at the balance sheet date taking into account contractual price/ unit rates and revision thereto.

3.10 Interest Income
Interest has been accounted using effective interest rate method. Insurance claims/ other claims are accounted as and when admitted / settled.

3.11 Taxes on Income
Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.
Current Tax
Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax
Deferred tax is accounted for using the balance sheet liability method in respect of temporary Differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.
Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled. Deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to other comprehensive income in equity, in which case the corresponding deferred tax is also recognized directly in equity.

3.12 Borrowing Costs
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.13 Employee benefits
All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Critical Accounting Judgments and Key Sources of Estimation Uncertainty:
The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of Intangible assets, allowance for doubtful debts/advances, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

(Rs in Lakh)

	Description	As at 31.03.2018	As at 31.03.2017
4	**Other Intangible Assets**		
	Carriage Ways*		
	Opening Cost/Deemed Cost	4,275.75	4,275.75
	Additions		-
	Deletion		-
	Adustment	-4,275.75	-
	Closing Cost	-	4,275.75
	Opening Accumulated amortization	2,136.31	1,346.02
	Amortization during the year	29.54	790.29
	Deletion	2,165.85	-
	Closing Accumulated amortization	-	2,136.31
	Closing Net Carrying Amount	-	2,139.44
	***Being the right to operate and maintain the highways on Build, Operate and Transfer**		
5	**TRADE RECEIVABLES**		
	Secured, Considered Good		
	Unsecured, Considered Good*	-	1,594.33
		-	1,594.33
	*The above balances are subject to confirmation/reconciliation and consequential impact thereof.		
6	**CASH AND CASH EQUIVALENTS**		
	Balances with banks	11.32	13.12
	Cash on hand	0.95	0.80
	Fixed deposits of maturity less than 3 months with banks (refer notes 6.1)	15.27	14.36
		27.54	28.28
6.1	Fixed deposits pledged with others as security deposit ` 90.64 Lakh (March 31, 2017: Rs.81.35 Lakh).		
7	**OTHER BANK BALANCES**		
	Deposits with banks having maturity more than 3 months but less than 12 months (refer notes 6.1)	75.36	66.99
		75.36	66.99
8	**CURRENT FINANCIAL ASSET- OTHERS**		
	(Unsecured, considered good)		
	Security and other deposits	128.74	118.09
	Accrued Interest on fixed deposits	6.35	10.13
		135.10	128.22
9	**OTHER CURRENT ASSETS**		
	Prepaid Expenses	-	0.52
		-	0.52
10	**EQUITY SHARE CAPITAL**		
	Authorised		
	1,20,00,000 (March 31, 2017: 1,20,00,000 & March, 2016: 1,20,00,000) equity shares of ` 10/- each	1,200.00	1,200.00
	Issued, subscribed and paid up		
	1,20,00,000 (March 31, 2017: 1,20,00,000 & March, 2016: 1,20,00,000) equity shares of ` 10/- each fully paid up	1,200.00	1,200.00
		1,200.00	1,200.00

10.1 The Company has only one class of equity shares having a par value of ` 10 per share. Each shareholder is eligible for one vote per share.
10.2 In the event of Liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding .

10.3 100% equity shares are held by MBL Infrastructures Ltd., the holding company and its nominees.

(Rs in Lakh)

	Description	As at 31.03.2018	As at 31.03.2017
11	**OTHER EQUITY**		
	Surplus		
	Opening balance	1,172.21	1,184.57
	Add: Transfer from statement of profit and loss	-3,905.43	-12.36
	Retained Earnings	**-2733.21**	**1172.21**
	Total Other Equity	-2,733.21	1,172.21

11.1 Refer Statement of Changes in Equity (SoCE) for movement in balances of reserves.

11.2 Retained Earnings generally represent the undistributed profits /amount of accumulated earnings of the Company.

12	**DEFERRED TAX LIABILITIES(NET)**		
	Deferred Tax	-	2.74
		-	2.74

12.1 The movement in Deferred Tax Liability/(Asset) for March, 2018 is shown hereunder:

2017-18 (Rs in Lakh)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in Profit and Loss Account	Closing balance
Deferred tax (liabilities) / assets in relation to:					-
Deferred Tax Liabilities					-
Difference in carrying value and tax base of	2.74	-	-	-2.74	-
Total Deferred Tax Liabilities	**2.74**	-	-	**-2.74**	-
Deferred Tax Assets					-
Total Deferred Tax Assets	-	-	-	-	-
Net Deferred Tax Liabilities	**2.74**	-	-	**-2.74**	-

13	**TRADE PAYABLES - CURRENT**		
	(A) Total Outstanding dues of micro enterprises and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006		-
	B) Others	72.62	62.77
		72.62	62.77

13.1 Disclosure of Trade Payables is based on information available with Company regarding the status of suppliers if any, as defined under the "Micro, Small and Medium Enterprise Development Act, 2006". There are no delays in payment made to such suppliers. There is no overdue amount outstanding as at the balance sheet date.

13.2 Trade payables are subject to confirmation from certain parties.

14	**OTHER FINANCIAL LIABILITIES - CURRENT**		
	Current Maturities of Long Term Borrowings	1,302.00	1,372.79
	Others	313.05	62.92
		1,615.05	1,435.72

14.1 Other Financial Liabilities (Current Maturities of Long Term Borrowings) are claims by Bank of Baroda not acknowladged as debt and provided for on conservatism principle of accouning.

15	**OTHER CURRENT LIABILITIES - CURRENT**		
	Statutory dues payable	8.13	7.73
		8.13	7.73
16	**CURRENT TAX LIABILITIES (NET)**		
	Provision for taxation (refer note 16.1)	75.41	76.61
		75.41	76.61

16.1 Provision for tax of ` 137.78 Lakh (March 31, 2017: Rs.137.78) is net of advance tax ` 62.35 Lakh (March 31, 2017 Rs. 61.17lakh).

(₹ in Lakh)

	Description	For the year ended 31.03.2018	For the year ended 31.03.2017
17	**REVENUE FROM OPERATIONS**		
	User fee (toll)	34.31	1,345.95
		34.31	1,345.95
18	**OTHER INCOME**		
	Interest on fixed deposits	6.70	16.83
		6.70	16.83
19	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages and bonus	7.02	7.18
		7.02	7.18
20	**FINANCE COSTS**		
	Interest on loan	201.14	298.64
	Other Borrowing Cost	-	7.59
		201.14	306.24
21	**OTHER EXPENSES**		
	Insurance	0.52	1.92
	Periodical road maintenance expense	-	208.50
	Routine maintenance expense	-	26.92
	Project monitoring fee	3.69	14.75
	Project management fee	0.34	13.46
	Payments to auditor		
	Statutory audit	-	0.23
	Tax audit	0.20	0.12
	Internal audit	-	0.03
	Director Sitting Fee	-	0.40
	Legal and professional fees	0.12	0.83
	Miscellaneous expenses	2.37	10.96
		7.25	278.11
22	**EXCEPTIONAL ITEMS**		
	Loss due to termination of concession	3,704.23	-
		3,704.23	-

23 **Disclosure of related parties / related party transactions:**

In accordance with the requirements of IND AS 24 on "Related parties disclosures" , name of the related party, related party relationship, transaction and outstanding balances including commitments where control exists and with whom transaction have taken place during the reporting period are:

A. Related party disclosures

Relationship	**Name of the related party**
Holding Company	MBL Infrastructures Limited
Key Management Personnel	Sudhanshu Chaturvedi (Director)
	Prakash (Director)
	Ankit Jhawar (Chief Financial Officer)

B. Transactions carried out with related parties referred in "A" above, in ordinary course of business

(₹ in Lakh)

Nature of Transactions	Holding Company		Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Operation and Maintenance charges paid						
MBL Infrastructures Limited	-	235.42	-	-	-	-

24 Contingent liabilities

(i) There is a demand of stamp duty of ` 120 Lakh on the BOT agreement. The company has challenged the said levy of stamp duty and also contended that MPRDC will be liable to reimburse the said levy in terms of the concession agreement in the event the case is decided against the company. The company has preferred SLP with the Hon'ble Supreme Court against the order of Hon'ble High Court of MP, Jabalpur holding the levy of stamp duty on the BOT Agreement.

		(Rs in Lakh)
	2017-18	**2016-17**
(ii) Claims against the company not acknowledged as debt	5.00	5.00

25 MPRDC by order No. 4313/ MPRDC/BOT/10/Maint./2017 dated 08th June 2017 suspended the right to collect toll and by order No. 20177/Seoni-Balaghat-Gondia Road/BOT/MPRDC/2017 Bhopal dated 23/02/2018 terminated the concession agreement. Differences and disputes have arisen between the authority and the concessioner including period of concession agreement, change of scope, increase in project cost etc.The company has invoked arbitration.The claims shall be accounted for on certainty of their realization.

26 In the opinion of the Board of Directors, all the current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and all the known liabilities have been provided for.

The Company operates in only one segment, namely "Toll Roads" hence there are no reportable segments under Ind AS-108 'Segment Reporting'. Hence, separate business segment information is not applicable.

27 Financial risk management, objective and policies

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows :-

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Asset (Current and Non Current)*				
At Ammortised cost				
Cash and Cash Equivalents	27.54	27.54	28.28	28.28
Other Bank Balances	75.36	75.36	66.99	66.99
Other Financial Assets	135.10	135.10	128.22	128.22
Financial Liabilities (Current and Non-Current)*				
At Amortised Cost				
Borrowings	-	-	-	-
Trade Payables	72.62	72.62	62.77	62.77
Other Financial Liabilities	1,615.05	1,615.05	1,435.72	1,435.72

* Both financial asset and financial liability are measured using Level II inputs

The Company's business activities are exposed to a variety of financial risks - credit risk, liquidity risk and market 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 risks are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and approves policies for managing each of these risks, which are summarized below:

I. Credit risk

The company has no debt outstanding from its customere and as such there is no exposure to the credit risk.

II. Market risk

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 prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(i) The exposure of group borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Variable rate borrowings	1,302.00	1,372.79
Fixed rate borrowings	-	-
Total borrowings	**1,302.00**	**1,372.79**

(ii) Sensitivity

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Increase/ Decrease in Basis		Impact on Profit before Tax	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Borrowings	+50	+50	-6.51	-6.86
	- 50	- 50	6.51	6.86

(b) Price Risk

The company does not have any investments in equity and commodity at the current year end and previous year. Therefore the company is not exposed to price risk.

III. Liquidity Risk

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(Rs in Lakh)

As at March 31, 2018	Carrying Amount	On Demand	Less than One Year	More than one year	Total
Interest bearing borrowings (including current maturity)	1,302.00	-	1,302.00	-	1,302.00
Trade Payables	72.62	-	72.62	-	72.62
Other Financial Liabilities	313.05	-	313.05	-	313.05
Total	**1,687.67**	-	**1,687.67**	-	**1,687.67**

As at March 31, 2017	Carrying Amount	On Demand	Less than One Year	More than one year	Total
Interest bearing borrowings (including current maturity)	1,372.79	-	1,372.79	-	1,372.79
Trade Payables	62.77	-	62.77	-	62.77
Other Financial Liabilities	62.92	-	62.92	-	62.92
Total	**1,498.49**	-	**1,498.49**	-	**1,498.49**

IV Capital risk management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy continuing growth. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital. Net debts are non-current and current debts as reduced by cash and cash equivalents.

The company also monitors capital using gearing ratio which is net debt divided by total capital. The gearing ratio is as follows:

(Rs in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Debt (Borrowings from Banks & Financial Institution)	1,302.00	1,372.79
Cash & bank balances	27.54	28.28
Net Debt(net of cash and cash equivalent)	1,274.45	1,344.52
Total Equity	-1,533.21	2,372.21
Capital and net debt	-258.76	3,716.73
Net debt to equity ratio (Gearing Ratio)	**-492.53%**	**36.17%**

Notes-

(i) Debt is defined as long-term and short-term borrowings including current maturities

(ii) Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

28 Earnings per Share

Basic and diluted earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

(Rs In Lacs except otherwise stated)

	Particulars	31st March, 2018	31st March, 2017
i.	Profit/(loss) attributable to equity shareholders	-3,905.43	-12.36
ii.	Weighted average number of equity shares	120	120
iii.	Basic & diluted earnings per equity share (In Rs)	-32.55	-0.10

29 Tax Expense

(a) The major components of income tax expense for the year are as under:

(Rs in Lakh)

	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
(i)	Income tax recognised in the Statement of Profit and Loss		
	Current Tax	-	0.12
	Income Tax for earlier years	-	-
	Deferred Tax	-2.74	-6.79
	Total Income tax expenses recognised in statement of profit and loss	**-2.74**	**-6.67**
(ii)	Income tax expense recognised in OCI	-	-
	Deferred tax expense on remeasurement of defined benefit plans	-	-
	Income tax expense recognised in OCI	-	-

(b) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income rate to recognised income tax expense for the year indicated are as below:

(Rs in Lakh)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Accounting Profit/(Loss) before tax	**-203.93**	**-19.03**
Statutory income tax rate	33.90%	33.90%
Tax at statutory income tax rate	-69.13	-6.45
Temporary differences	-2.74	-6.79
Others	69.13	6.57
Total	-2.74	-6.67

30 Segment Reporting

The company's operations operations consists "Construction/Project Activities" and there are no other reportable segment under Ind AS-108 as identified by the Chief operating Officer of the company.

31 These financial statements have been approved and adopted by Board of Directors of the Company in their meeting dated May 30th, 2018 for issue to the shareholders for their adoption.

In terms of our report of even date attached.
For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

For and on behalf of the Board

s/d
(Sudhanshu Chaturvedi)
Director
DIN-03118327

s/d
Ankit Jhawar
Chief Financial Officer

s/d
(Prakash)
Director
DIN-07305062

New Delhi
Dated : May 30th, 2018

MBL HIGHWAY DEVELOPMENT COMPANY LIMITED

AUDITED ANNUAL ACCOUNTS

FOR FY 2017-18

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MBL HIGHWAY DEVELOPMENT COMPANY LIMITED

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of **MBL HIGHWAY DEVELOPMENT COMPANY LIMITED('the Company')**, which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement for the year then ended and the Statement of Changes in Equity and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind ASfinancial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 ASfinancial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

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

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

OPINION

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid Ind ASfinancial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure 'B'**.

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

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d
Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to statutory audit of M/s MBL HIGHWAY DEVELOPMENT COMPANY LIMITEDfor the year ended 31 March 2018, we report that:

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

(b) The fixed assets have been physically verified wherever practicable on a phased manner by the management/ internal auditors and the reconciliation of the quantities with the book records has been done on continuous basis. As informed no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. Onthe basis of information and explanations provided to us, the company did not own inventory at any-time during the year under audit, hence, clause (ii) of the order is not applicable to the company

iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.

iv. 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 Act, with respect to the loans and investments made.

v. In our opinion and according to the information and explanations given to us, the Company did not receive any deposits covered under sections 73 to 76 of the Companies Act and the rules framed there under with regard to deposits accepted from the public during the year.

vi. The Central Government has prescribed maintenance of cost records under section 148 (1) of the Companies Act. We have broadly reviewed accounts and records and are of the opinion that prima facie, the prescribed accounts & records have been made & maintained but no detailed examination of such records and accounts have been carried out by us.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities*except for Tax deducted at Source by them which are not deposited.*

(b) According to the information and explanations given to us, no undisputed amount payble in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March, 2018for a period of more than six months from the date they became payble.

viii. According to the information and explanations given to us by the management, the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.

ix. Based on information and explanations given to us and records of the Company examined by us, in our opinion, the term loans have been applied for the purpose for which they were obtained.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhicompany. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d

Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act of M/s MBL HIGHWAY DEVELOPMENT COMPANY LIMITED for the year ended 31 March 2018, we report that:

We have audited the internal financial controls over financial reporting of M/s MBL HIGHWAY DEVELOPMENT COMPANY LIMITED ("the Company") as of 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d
Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

MBL HIGHWAY DEVELOPMENT COMPANY LIMITED

Balance Sheet as at 31st March,2018

Rs In Lakh

Particulars	Note No	As on 31st March, 2018	As on 31st March, 2017
ASSETS			
(1) Non current assets			
(a) Intangible Assets under development	4	-	15,233.52
(b) Other non-current assets	5	0.22	0.22
(c) Current tax assets (net)	6	14.65	14.65
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	7	1.34	1.39
(ii) Others	8	39.98	39.98
(b) Other current assets	9	27.98	27.84
TOTAL ASSETS		**84.16**	**15,317.59**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	10	5,110.00	5,110.00
(b) Other equity	11	-15,833.78	-
LIABILITIES			
(1) Non current liabilites			
(a) Financial liabilites			
(i) Borrowings	12	6,595.47	7,080.38
(2) Current liabilites			
(a) Financial liabilites			
(i) Trade payables	13	130.93	130.93
(ii) Other financial liability	14	3,980.95	2,895.77
(b) Other current liabilites	15	100.58	100.51
TOTAL EQUITY & LIABILITY		**84.16**	**15,317.59**

Significant accounting policies and other accompanying notes (1 to 27) form an integral part of the financial statements.
As per our report on even date

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d
(Debasish Ghosh)
Partner
Membership No. 052653

Place: New Delhi
Dated: May 30th, 2018

s/d
Jai Singh Shekhawat
Chief Financial Officer

s/d
Sanmeet Kaur
Company Secretary

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Bhagwan Singh Duggal
Director
DIN-06634772

MBL HIGHWAY DEVELOPMENT COMPANY LIMITED
Statement of Profit and Loss for the period ended 31st March,2018

Rs In Lakh

Particulars	Note No	As on 31st March, 2018	As on 31st March, 2017
INCOME			
Revenue from operation		-	
Other income		-	
(A) TOTAL INCOME		-	-
EXPENSES			
Cost of materials consumed			-
Employee benefits expense	16	0.26	-
Finance costs	17	153.44	-
Depreciation and amortisation expense		-	-
Other expenses	18	137.50	-
(B) TOTAL EXPENSES		**291.20**	-
(C) Profit/(Loss) before exceptional items and tax (A-B)		**(291.20)**	-
(D) Exceptional Items	19	15,542.58	-
(E) Profit/(Loss) after exceptional items and before tax (C-D)		**(15,833.78)**	-
Tax Expense:			
(1) Current Tax		-	-
(2) Income Tax for earlier years		-	-
(3) Deferred Tax		-	-
Total Profit/(Loss) for the period (E)		**(15,833.78)**	-
OTHER COMPREHENSIVE INCOME			-
i. Items that will not be reclassified to profit or loss			-
ii. Income tax relating to items that will not be reclassified to profit or loss			-
Total Other Comprehensive Income (i+ii) (F)		-	-
Total INCOME (E+F)		**(15,833.78)**	-
Earning per equity share(Face Value Rs. 10/- each) (in Rs.) Basic and Diluted	25	(30.99)	-

Significant accounting policies and other accompanying notes (1 to 27) form an integral part of the financial statements.

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d
(Debasish Ghosh)
Partner
Membership No. 052653

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Jai Singh Shekhawat
Chief Financial Officer

s/d
Bhagwan Singh Duggal
Director
DIN-06634772

s/d
Sanmeet Kaur
Company Secretary

Place : New Delhi
Dated: May 30th, 2018

MBL HIGHWAY DEVELOPMENT COMPANY LIMITED
Statement of changes in equity for the year ended 31st March 2018

A **Equity Share Capital**

Particulars		Rupees In Lakhs
Balance as on March 31, 2017		5,110.00
Add: Changes during the year 2017-18		-
Balance as on March 31, 2018		5,110.00

B **Other equity**

(Rs in Lakh)

Particulars		Reserve and Surplus		Total
		General Reserve	Retained Earnings	
Balance as on March 31, 2017		-	-	-
Profit for the year		-	(15,833.78)	(15,833.78)
Amount utlized for issue of Bonus shares		-	-	-
Dividend payments including dividend distribution tax		-	-	-
Transfer from retained earnings		-	-	-
Re-measurements of the net defined benefit Plans		-	-	-
Balance as on March 31, 2018		-	**(15,833.78)**	**(15,833.78)**

Refer note 11 for nature and purpose of reserves

The accompaying notes are an integral part of these financial statement
This is the Statement of Changes in Equity referred to in our report of even date

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d
(Debasish Ghosh)
Partner
Membership No. 052653

Place: New Delhi
Dated: May 30th, 2018

s/d
Jai Singh Shekhawat
Chief Financial Officer

s/d
Sanmeet Kaur
Company Secretary

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Bhagwan Singh Duggal
Director
DIN-06634772

MBL HIGHWAY DEVELOPMENT COMPANY LIMITED
Cash Flow Statement for the year ended 31st March, 2018

Rs In Lakh

	For the year ended 31.03.2018		For the year ended 31.03.2017	
A. Cash flow from operating activities:				
Net profit before tax & extraordinary items		(291.20)		
Adjusted for :				
Depreciation/amortisation expenses		-		
Interest on fixed deposit		-		
Finance cost		153.44		
Operating profit before working capital changes:		(137.76)		-
Adjusted for:				
Increase / (Decrease) in other current liabilities	931.81		421.01	
Increase / (Decrease) in trade payables	-		-	
(Increase) / Decrease in other current assets	(0.13)		-	
(Increase) / Decrease in short term loans & advances		931.67	-	421.01
Less : Direct taxes paid		-		-
Net cash generated from / (used in) operating activities		793.91		421.01
B. Cash flow from investing activities:				
Intangible assets under development	(309.06)		258.91	
Net cash generated from / (used in) investing activities		(309.06)		258.91
C. Cash flow from financing activities:				
(Repayments) / Proceeds of secured loan	(484.90)		(680.57)	
(Repayments) / Proceeds of short term borrowings	-	(484.90)	-	(680.57)
Net cash generated from / (used in) financing activities		(484.90)		(680.57)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		(0.05)		(0.65)
Opening balance of cash & cash equivalents		1.39		2.05
Closing balance of cash & cash equivalents (refer note 7)		1.34		1.39

The accompaying notes are an integral part of these financial statement

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

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

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d
(Debasish Ghosh)
Partner
Membership No. 052653

Place: New Delhi
Dated: May 30th, 2018

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Jai Singh Shekhawat
Chief Financial Officer

s/d
Bhagwan Singh Duggal
Director
DIN-06634772

s/d
Sanmeet Kaur
Company Secretary

MBL HIGHWAY DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018

1. Corporate Information

MBL Highway Development Company Limited (or 'the Company') is a company incorporated and domiciled in India and is incorporated under the provisions of companies Act applicable in India and a registered office at Baani Corporate One Tower, Suite No. 303 3rd Floor, Plot No. 5, Dist. Commercial Centre, Jasola New Delhi 110076

Description of Business:

Road on DBFOT (Design,Build, Finance, Operate &Transfer) basis:

A 'Concession Agreement' entered into between MBL Highway Development Company Ltd. (termed as "concessionaire") and MP Road Development Corporation on 9.09.2011, conferred the rights of concession of 75.600 km road, to implement the project and recover the project cost, through levy of toll revenue over the toll period commencing from the date of start upto a period of 30 years (including construction period of 1.5 years). The concessionaire is required to transfer the project asset to MPRDC in accordance with the said concession agreement at the end of concession period. The said project has been terminated by MPRDC by order No. MPRDC/BOT/S-K/2016/13233 dated 18th November, 2016. The company has invoked arbitration.

2. Statement of Compliance and Recent Pronouncements

2.1 Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2016 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

The financial statements have been prepared on accrual basis in accordance with the Generally Accepted Accounting and the Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, then applicable (Previous GAAP) to the company.Previous period figures in the Financial Statements have now been recasted/restated in compliance to Ind AS.

2.2 Recent accounting Pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant."

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"

3. Significant Accounting Policies

3. 1.Basis of Prepration

The Financial Statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/ amortized costs at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IND AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest Lakhs, unless otherwise indicated.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

(a) Level 1:Quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2:Inputs other than quoted prices included within level 1 that are observable, either directly or indirectly, for the asset or liability.

(c) Level 3:Inputs for the asset or liability which is not based on observable market data.

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

3.2 Property Plant & Equipment:

On transition to IND AS, the Company has elected to continue with the carrying value of all its property plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property,plant and equipment.

Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

3.3 Intangible Asset

The company initially recognises the intangible asset at Cost and subsequently meaure the intangible asset at its cost less accumulated amortisation and any impairment losses by following the Cost model as per Ind AS 38 "Intangible Assets" . During the construction phase of the arrangement the company asset is classified as a right to receive a licence to charge users of the infrastructure. The company estimates the fair value of its consideration received or receivable as equal to the forecast construction costs .

In accordance with Ind AS 38, Intangible assets with finite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Other intangible assets are amortised on straight line basis over the period in which it is expected to be available for use by the company.

3.4 Derecognition of Tangible and Intangible assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.5 Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

3.6 Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities (financial instruments) 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 the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within the operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, Fair Value through Profit and Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

(i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.
The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.
The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii)Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.
The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vi) Impairment of financial assets

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.
The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vii) Derecognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

3.7 Provisions, Contingent liabilities and Contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized 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.

Contingent liabilities are not recognized or disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised or disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3.8 Service Concession Arangements

The Company recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognitions of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition, the intangible assets is measured at cost, less any accumulated amortisations and accumulated impairment losses.

Critical Accounting Judgments and Key Sources of Estimation Uncertainty:

The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of Intangible assets, allowance for doubtful debts/advances, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

MBL HIGHWAY DEVELOPMENT COMPANY LIMITED
Notes to Financial Statements for the Year ended 31st March, 2018

Rs In Lakh

	Particulars	As at March 31,2018	As at March 31,2017
4	**INTANGIBLE ASSETS UNDER DEVELOPMENT**		
	Payment for development charges	-	10,201.16
	Design & survey charges	-	127.21
	Bank charges	-	24.22
	Filing fees	-	0.74
	Director's Sitting fees	-	1.50
	Interest on external commercial borrowing	-	2,469.10
	Interest received on fixed deposits	-	-59.01
	Insurance	-	34.10
	Preliminary expenses written off	-	34.31
	Legal & professional fees	-	13.70
	Payment to auditor		-
	Statutory audit fee	-	1.70
	Internal audit fee	-	0.13
	Certification Charges	-	0.10
	Independent engineer fee	-	217.00
	Salary & wages	-	71.99
	Miscellaneous expenses	-	45.47
	Net loss on foreign currency transaction and translation	-	2,050.12
		-	15,233.52
5	**Non- Current Financial Assets- Other Financial Assets**		
	Carried at amortised cost		
	Deposits with Banks having maturity more than 12 months*	0.22	0.22
		0.22	**0.22**
6	**Current Tax Asset**		
	Capital Advances		-
	Advances other than capital advances		
	(i) Advance TDS	14.65	14.65
		14.65	**14.65**
7	**Current Financial Assets-Cash and Cash Equivalents**		
	Balances with banks	0.34	1.39
	Cash on hand	1.00	-
		1.34	**1.39**
8	**Current Financial Assets-Others**		
	Unsecured Considered Good unless otherwise stated		
	Others	39.98	39.98
		39.98	**39.98**
	The above balances are subject to confirmation/reconciliation and consequential impact thereof.		
9	**Other Current Assets**		
	Prepaid Expenses		-
	Other Advances *	27.98	27.84
		27.98	**27.84**
	*Advance against materials, services are subject to confirmations from certain parties.		

MBL HIGHWAY DEVELOPMENT COMPANY LIMITED

Notes to Financial Statements for the Year ended 31st March, 2018

Rs In Lakh

	Particulars	As at March 31,2018	As at March 31,2017
10	**Equity Share Capital**		
	Authorised Shares		
	5,11,00,000 (March 31, 2016: 5,11,00,000 & April 1, 2015: 5,11,00,000) Equity Shares of Rs. 10/- Each	5,110.00	5,110.00
		5,110.00	**5,110.00**
	Issued, Subscribed & Fully Paid Up Shares		
	5,11,00,000 (March 31, 2016: 5,11,00,000 & April 1, 2015: 5,11,00,000) Equity Shares of Rs. 10/- Each fully paid up	5,110.00	5,110.00
		5,110.00	**5,110.00**

10.1 The company has only one class of equity shares having a par value of 10 per share. Each shareholder is eligible for one vote per share.

10.2 The dividend proposed by the board of directors is subject to the approval of shareholders. In the event of liquidation, the equity shareholders are eligible to receive proposed by the board of directors is subject to the approval of shareholders.

10.3 In the event of Liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding .

10.4 100% equity shares are held by MBL Infrastructures Ltd., the holding company and its nominees.

11	**OTHER EQUITY**		
	Surplus		
	Opening balance	-	-
	Add: Transfer from statement of profit and loss	-15,833.78	-
	Retained Earnings	-15,833.78	-
	Total Other Equity	-15,833.78	-
	* Refer Statement of Changes in Equity (SoCE) for movement in balances of reserves.		
12	**Non Current Financial Liability - Borrowings**		
	Secured Term Loan		
	External Commercial Borrowings		
	-From Bank	6,595.47	7,080.38
	TOTAL	**6,595.47**	**7,080.38**

12.1 External commercial borrowing (ECB) availed by the company from a bank is secured by following:
i) First charge on all the movable & immovable assets
ii) First charge on escrow account.
iii) First charge on intangible assets.
iv) Pledge of 30% equity shares of the company held by

12.2 Maturity profile of long term borrowings are as set out

Particulars	Rate of Interest (%) ^	within 1 year	1 to 2 years	2 to 3 years	beyond 3 years
From a bank	5.33	1,352.92	507.34	526.86	5,561.27

^ Includes interest rates that are linked to base rates of the respective lender, which may vary accordingly.

MBL HIGHWAY DEVELOPMENT COMPANY LIMITED
Notes to Financial Statements for the Year ended 31st March, 2018

Rs In Lakh

13	**Current Financial Liability -Trade Payables**		
	Acceptences		-
	A) Total outstanding dues of micro enterprises and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006		-
	B)Total outstanding dues of Creditors other than micro enterprises and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006	130.93	130.93
	TOTAL	**130.93**	**130.93**

13.1 Disclosure of Trade Payables is based on information available with Company regarding the status of suppliers if any, as defined under the "Micro, Small and Medium Enterprise Development Act, 2006". There are no delays in payment made to such suppliers. There is no overdue amount outstanding as at the balance sheet date.

13.2 Balances are subject to confirmations/reconciliations and consequential impact thereof.

14	**Current Financial Liability -Others**		
	Current maturity of Long Term Debt		
	-Bank Overdraft	17.17	13.65
	-From Banks	1,352.92	842.90
	Interest accrued but not due on borrowings	138.06	509.66
	Others	2,472.81	1,529.57
	TOTAL	**3,980.95**	**2,895.77**
15	**Other Current Liabilities**		
	Statutory Dues Payable	100.58	100.51
	TOTAL	**100.58**	**100.51**

15.1 Includes creditor for expenses etc.

16	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages and bonus	0.26	-
		0.26	-
17	**FINANCE COSTS**		
	Interest on loan	153.44	-
	Other Borrowing Cost		
		153.44	-
18	**OTHER EXPENSES**		
	Loss on Currency Transaction & Translation	136.47	-
	Payments to auditor		
	Statutory audit	0.25	-
	Professional fees	0.75	-
	Miscellaneous expenses	0.03	-
		137.50	-
19	**EXCEPTIONAL ITEMS**		
	Loss due to termination of concession	15,542.58	-
		15,542.58	-

20 Segment Reporting

The company's operation predominantly consist of infrastructure development, construction and operation and this is its operating business segment and all other activities revolve around the main activity. Accordingly, there being no other reportable segment separate disclosures as per Ind AS 108 "Operating Segments" have not been made.

21 **RELATED PARTY DISCLOSURES:**

In accordance with the requirements of IND AS 24 on related parties disclosures , name of the related party, related party relationship, transaction and outstanding balances including commitments where control exists and with whom transaction have taken place during the reporting period are:

A. Related party disclosures

Relationship	Name of the related party
Holding company	MBL Infrastructures Limited
Key Managerial Personnel	Anjanee Kumar Lakhotia (Director) Ashwini Kumar Singh (Director) Jai Singh Shekhawat (Chief Financial Officer)
Enterprises owned or significantly influenced by key management personnel or their relatives	- MBL (MP) Toll Road Co. Ltd. - MBL A Capital Limited - MBL Projects Limited

B. Transactions carried out with the related party referred in "A" above, in the ordinary course of business

A. Transactions

Rs In Lakh

Particulars	Holding Company		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Expenses paid				
MBL A Capital Limited	-	-	3.59	-
MBL Projects Limited	-	-	0.89	-

B. Outstanding Balance

Rs In Lakh

Particulars	Holding Company		Enterprises Owned Or Significantly influenced by key Management personnel or their relatives		Key Managerial Personnel	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Other Liabilities						
MBL (MP) Toll Road Co. Limited.	-	-	3.20	-	-	-
MBL A Capital Limited	-	-	3.59	-	-	-
MBL Projects Limited	-	-	0.89			
MBL Infrastructures Limited	1,512.84	1,473.77			-	-

22 **CAPITAL MANAGEMENT**

(a) Risk Management

The primary objective of the Company's Capital Management is to maximize the shareholder value and also maintain an optimal capital structure to reduce cost of capital. In order to manage the capital structure, the Company may adjust the amount of dividend paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debts.

The Company monitors capital on the basis of following gearing ratio, which is net debt divided by total capital plus debt.

Rs In Lakh

Particulars	As at March 31, 2018	As at March 31, 2017
Debt (Borrowings from Banks & Financial Institution)	7,965.56	7,936.92
Cash & bank balances	1.34	1.39
Net Debt	7,964.21	7,935.53
Total Equity	5,110.00	5,110.00
Net debt to debt and equity ratio (Gearing Ratio)	**155.86%**	**155.29%**

Notes-

(i) Debt is defined as long-term and short-term borrowings including current maturities as described in notes 12

(ii) Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

23 Fair Value Measurement Hierarchy

a) Financial instruments by category
The carrying value and the fair value of financial instruments by categories were as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Financial Asset		
Measured at amortised cost*		
Trade receivables	-	-
Other Financial Assets	39.98	39.98
Cash and Bank Balances	1.34	1.39
Total Financial Assets	**41.32**	**41.37**
Financial Liabilities		
Measured at amortised cost*		
Borrowings	6,595.47	7,080.38
Trade payables	130.93	130.93
Other Financial Liabilities	3,980.95	2,895.77
Total Financial Liabilities	**10,707.35**	**10,107.08**

* Both financial asset and financial liability are measured using Level II inputs

b) Fair Value Technique

i) The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

ii) The fair value of cash and cash equivalents, trade receivables, current trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The Board considers that the carrying amounts of financial assets and financial liabilities recognised at cost/amortised cost in the financial statements approximates their fair values.

iii) Long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value of such long-term debt approximates fair value subject to adjustments made for transaction cost.

25 Financial Risk Management

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company principal financial asset includes loan , trade and other receivables, and cash and short-term deposits that arise directly from its operations.

The Company's activities are exposed to **market risk, credit risk and liquidity risk.**

I. Market risk

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 prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.
The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio .

(i) The exposure of borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Variable rate borrowings	7,965.56	7,936.92
Fixed rate borrowings	-	-
Total borrowings	**7,965.56**	**7,936.92**

(ii) Sensitivity
Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Borrowings	+50	+50	-39.83	-39.68
		- 50	39.83	39.68

(b) Foreign Currency Risk

The company does not have any significant transaction in foreign currency except foreign currency ECB loan .There are no outstanding Derivative contracts as on 31st March 2018 however the company have unhedged foreign currency exposure as on 31st march ,2018.

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the company's financial assets and financial liabilities at the reporting date i.e. 31st March 2018, net of related foreign exchange contracts.

The impact on the Company's profit before tax and other comprehensive income due to Changes in the fair value of monetary assets and liabilities are given below:

Foreign Exchange Risk And Sensitivity (Un hedged) **(Rs In Lacs)**

Particulars	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Borrowings	+50	+50	-39.83	-39.68
	- 50	- 50	39.83	39.68

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market conditions.

Summary of exchange difference accounted in Statement of Profit and Loss **(In Lakhs)**

Particulars	For the year ended 31-Mar-18	For the year ended 31-Mar-17
Net foreign exchange (gain) / losses	136.47	(178.79)
TOTAL	**136.47**	**(178.79)**

(c) The company does not have any investments in equity and commodity at the current year end and previous year. Therefore the company is not exposed to price risk.

II. Credit risk

The company has no debt outstanding from its customere and as such there is no exposure to the credit risk.

III. Liquidity Risk

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

As at March 31, 2018	Carrying Amount	On Demand	Less than One Year	More than one year	Total
Borrowings	7,965.56	-	1,370.09	6,595.47	7,965.56
Trade Payables	130.93	-	130.93	-	130.93
Other Liabilities	2,610.86	-	2,610.86	-	2,610.86
Total	**10,707.35**	-	**4,111.88**	**6,595.47**	**10,707.35**

As at March 31, 2017	Carrying Amount	On Demand	Less than One Year	More than one year	Total
Borrowings	7,936.92	-	856.55	7,080.38	7,936.92
Trade Payables	130.93	-	130.93	-	130.93
Other Liabilities	2,039.23	-	2,039.23	-	2,039.23
Total	**10,107.08**	-	**3,026.70**	**7,080.38**	**10,107.08**

24 Foreign Currency Transactions

Expenses	2017-18	2016-17
Interest	Nil	240.62
ECB Repayment	Nil	88.01

MBL HIGHWAY DEVELOPMENT COMPANY LIMITED
Notes to Financial Statements for the Year ended 31st March, 2018

25 **Earnings per Share**

Basic and diluted earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

(₹ In Lakh except otherwise stated)

	Particulars	31st March, 2018	31st March, 2017
i.	Profit/(loss) attributable to equity shareholders	(15,833.78)	-
ii.	Weighted average number of equity shares	511	-
iii.	Basic & diluted earnings per equity share (In ₹)*	(30.99)	-

26 The project has been terminated by MPRDC by order No. MPRDC/BOT/S-K/2016/13233 dated 18th November, 2016. The company has invoked arbitration.

27 The financial statements have been approved by the board of Directors of the Company on May 30th, 2018 for issue to the shareholders for their adoption.

As per our report on even date

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d
(Debasish Ghosh)
Partner
Membership No. 052653

Place: New Delhi
Dated: May 30th, 2018

s/d
Jai Singh Shekhawat
Chief Financial Officer

s/d
Sanmeet Kaur
Company Secretary

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Bhagwan Singh Duggal
Director
DIN-06634772

MBL (MP) TOLL ROAD COMPANY LIMITED

AUDITED ANNUAL ACCOUNTS

FOR FY 2017-18

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MBL (MP) TOLL ROAD COMPANY LIMITED

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind As financial statements of **MBL (MP) TOLL ROAD COMPANY LIMITED('the Company')**, which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement for the year then ended and the Statement of Changes in Equity and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind ASfinancial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 ASfinancial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

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

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

OPINION

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid Ind ASfinancial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure 'B'**.

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

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d
Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to statutory audit of M/s MBL (MP) TOLL ROAD COMPANY LIMITEDfor the year ended 31 March 2018, we report that:

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

(b) The fixed assets have been physically verified wherever practicable on a phased manner by the management/ internal auditors and the reconciliation of the quantities with the book records has been done on continuous basis. As informed no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. Onthe basis of information and explanations provided to us, the company did not own inventory at any-time during the year under audit, hence, clause (ii) of the order is not applicable to the company

iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.

iv. 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 Act, with respect to the loans and investments made.

v. In our opinion and according to the information and explanations given to us, the Company did not receive any deposits covered under sections 73 to 76 of the Companies Act and the rules framed there under with regard to deposits accepted from the public during the year.

vi. The Central Government has prescribed maintenance of cost records under section 148 (1) of the Companies Act. We have broadly reviewed accounts and records and are of the opinion that prima facie, the prescribed accounts & records have been made & maintained but no detailed examination of such records and accounts have been carried out by us.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities*except for Tax deducted at Source by them which are not deposited.*

(b) According to the information and explanations given to us, no undisputed amount payble in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March, 2018for a period of more than six months from the date they became payble.

viii. According to the information and explanations given to us by the management, the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.

ix. Based on information and explanations given to us and records of the Company examined by us, in our opinion, the term loans have been applied for the purpose for which they were obtained.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhicompany. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d

Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act of M/s MBL (MP) TOLL ROAD COMPANY LIMITED for the year ended 31 March 2018, we report that:

We have audited the internal financial controls over financial reporting of M/s MBL (MP) TOLL ROAD COMPANY LIMITED ("the Company") as of 31stMarch 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial

reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d
Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

MBL (MP) TOLL ROAD COMPANY LIMITED
Balance Sheet as at 31st March,2018

(Rs. in Lakh)

Particulars		Note No	As on 31st March, 2018	As on 31st March, 2017
ASSETS				
(1) Non current assets				
(a) Other intangible assets		4	2,059.23	2,834.66
(b) Intangible assets under Development				-
(c) Financial assets				
(i) Trade receivables		5	4,438.42	4,045.55
(ii) Others				-
(d) Deferred tax assets(net)		13	17.53	
(e) Other non current assets				-
(2) Current assets				
(a) Financial assets				
(i) Trade receivables		6	1,309.91	1,075.77
(ii) Cash and cash equivalents		7	13.80	8.09
(iii) Others		8	3.20	0.03
(b) Other current assets		9	0.36	-
TOTAL ASSETS			**7,842.45**	**7,964.10**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital		10	1,500.00	1,500.00
(b) Other equity		11	290.86	219.16
LIABILITIES				
(1) Non current liabilites				
(a) Financial liabilites				
(i) Borrowings		12	1,611.61	2,408.65
(b) Deferred tax liabilites (net)		13		35.52
(2) Current liabilites				
(a) Financial liabilites				
(i) Borrowings		14		27.72
(ii) Trade payables		15	1,943.96	1,904.07
(iii) Other financial liability		16	2,427.78	1,776.09
(b) Other current liabilites		17	59.27	58.49
(c) Current Tax Liabilties (net)		18	8.97	34.40
TOTAL EQUITY & LIABILITY			**7,842.45**	**7,964.10**

Significant Accounting Policies and other accompanying notes (1- 35) are an integral part of the financial statements

In terms of our report of even date attached.
For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653
New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Vijay Singh Shekhawat
Chief Financial Officer

s/d
Bhagwan Singh Duggal
Director
DIN-06634772

MBL (MP) TOLL ROAD COMPANY LIMITED
Statement of Profit and Loss for the period ended 31st March,2018

(Rs. in Lakh)

Particulars	Note No	For the year ended 31st March, 2018	For the year ended 31st March, 2017
INCOME			
Revenue from operation	19	121.24	66.28
Other income	20	1,044.90	572.88
(A) TOTAL INCOME		**1,166.14**	**639.16**
EXPENSES			
Employee benefits expense	21	11.14	19.62
Finance costs	22	254.02	209.10
Depreciation and amortisation expense	23	775.43	154.25
Other expenses	24	101.00	209.54
(B) TOTAL EXPENSES		**1,141.59**	**592.51**
(C) Profit/(Loss) before exceptional items and tax (A-B)		**24.55**	**46.65**
(D) Exceptional Items		-	-
Profit/(Loss) before tax (A-B)		**24.55**	**46.65**
Tax Expense:			
(1) Current Tax		5.91	0.02
(3) Deferred Tax		(53.05)	16.11
Total Profit/(Loss) for the period (C)		**71.69**	**30.52**
OTHER COMPREHENSIVE INCOME			
i. Items that will not be reclassified to profit or loss		-	-
ii. Income tax relating to items that will not be reclassified to profit or loss			-
Total Other Comprehensive Income for the year (D=i+ii)		-	-
Total Comprehensive Income for the period(C+D)		**71.69**	**30.52**
Earning per equity share(Face Value Rs. 10/- each) (in Rs.) (Basic & Diluted)	31	0.48	0.20

Significant Accounting Policies and other accompanying notes (1- 35) are an integral part of the financial statements
In terms of our report of even date attached.

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

Place : New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d

Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d

Bhagwan Singh Duggal
Director
DIN-06634772

s/d

Vijay Singh Shekhawat
Chief Financial Officer

MBL (MP) Toll Road Company Limited

Statement of changes in equity for the year ended 31st March 2018

A **Equity Share Capital**

Particulars	(Rs in Lakh)
Balance as on April 1, 2016	1,500.00
Add: Changes during the year 2016-17	-
Balance as on March 31, 2017	1,500.00
Add: Changes during the year 2017-18	-
Balance as on March 31, 2018	1,500.00

B **Other equity**

(Rs in Lakh)

Particulars	Reserve and Surplus	Total
	Retained Earnings	
Balance as on April 1, 2016	**188.64**	**188.64**
Profit for the year	30.52	30.52
Balance as on March 31, 2017	**219.16**	**219.16**
Profit for the year	71.69	71.69
Balance as on March 31, 2018	**290.86**	**290.86**

Refer note 11 for nature and purpose of reserves

The accompaying notes are an integral part of these financial statement
This is the Statement of Changes in Equity referred to in our report of even date

For and on behalf of the Board

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Bhagwan Singh Duggal
Director
DIN-06634772

s/d
Vijay Singh S
Chief Financial Officer

New Delhi
Dated : May 30th, 2018

MBL (MP) TOLL ROAD COMPANY LIMITED

Cash Flow Statement for the year ended 31st March, 2018

Rs. in Lakh

	For the year ended 31.03.2018		For the year ended 31.03.2017	
A. Cash flow from operating activities:				
Net profit before tax		24.55		46.65
Adjusted for :				
Depreciation/Amortisation Expenses	775.43		154.25	
Finance cost	254.02	1,029.45	209.10	363.35
Operating profit before working capital changes:		1,054.00		410.00
Adjustments for Working Capital :				
(Increase) / Decrease in trade receivable	(627.01)		(479.80)	
(Increase) / Decrease in Financial Assets	(3.17)		(0.01)	
(Increase) / Decrease in Other Assets	(0.36)		0.74	
Increase / (Decrease) in trade paybles	39.89		457.03	
Increase / (Decrease) in Financial Liabilities	414.47		464.51	
Increase / (Decrease) in other liabilities	0.78	(175.39)	16.81	459.29
Cash generated from operations		878.61		869.29
Less : Direct Taxes paid		31.34		0.05
Net cash generated from / (used in) operating activities		**847.27**		**869.24**
B. Cash flow from investing activities:				
Additions in fixed assets	-		-	
Intangible assets under development	-		-	
Net cash generated from / (used in) investing activities		-		-
C. Cash flow from financing activities:				
(Repayments) / Proceeds of secured loan	(797.04)		(875.61)	
Interest and finance charges	(16.80)		(39.56)	
Net cash generated from / (used in) financing activities		**(813.85)**		**(915.17)**
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		**33.43**		**(45.93)**
Opening balance of cash & cash equivalents		**(19.63)**		**26.30**
Closing balance of cash & cash equivalents*		**13.80**		**(19.63)**

Rs. in Lakh

	For the year ended 31.03.2018	For the year ended 31.03.2017
* **Closing balance of cash & cash equivalents**		
Cash and cash equivalents as per Balance Sheet	13.80	8.09
Bank Overdraft		(27.72)
Closing balance of cash & cash equivalents (Including Bank overdraft)	**13.80**	**(19.63)**

The accompaying notes are an integral part of these financial statement

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

In terms of our attached report of even date.
For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

Place : New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d

Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d

Bhagwan Singh Duggal
Director
DIN-06634772

s/d

Vijay Singh Shekhawat
Chief Financial Officer

MBL (MP) TOLL ROAD COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018

1. Corporate Information
MBL (MP) TOLL ROAD COMPANY LIMITED (or 'the Company') is a company incorporated and domiciled in India and is incorporated under the provisions of the Companies Act applicable in India and a registered office at Baani Corporate One Tower, Suite No. 303 3rd Floor, Plot No. 5, Dist. Commercial Centre, Jasola New Delhi 110076

Description of Business:

Road on DBFOT (Design,Build, Finance, Operate &Transfer) basis:
A 'Concession Agreement' entered into between MBL (MP) Toll Road Company Limited. (termed as "concessionaire") and MP Road Development Corporation Limited on 7.12.2011, conferred the rights of concession of 18.303 km road, to implement the project and recover the project cost, through levy of toll revenue over the toll period commencing from the date of start upto a period of 15 years (including construction period of 1.5 years). The concessionaire is entitled for annuity of Rs. 3.26 crores semi-annually for 13 years after 6 months of COD. The concessionaire is required to transfer the project asset to MPRDC in accordance with the said concession agreement at the end of concession period.

2. Statement of Compliance and Recent Pronouncements

2.1 Statement of Compliance
The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2016 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.
The financial statements have been prepared on accrual basis in accordance with the Generally Accepted Accounting and the Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, then applicable (Previous GAAP) to the company.Previous period figures in the Financial Statements have now been recasted/restated in compliance to Ind AS.

2.2 Recent accounting Pronouncements
Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.
The amendment will come into force from 1 April 2018. The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant."

Ind AS 115
In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.
Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.
The standard permits two possible methods of transition:
• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)
The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"

3. Significant Accounting Policies

3. 1.Basis of Prepration
The Financial Statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/ amortized costs at the end of each reporting period.
Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.
As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IND AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.
The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest Lakh, unless otherwise indicated.
Fair Value Measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.
The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:
(a) Level 1: Inputs are at Quoted prices (unadjusted) in active markets for identical assets or liabilities.
(b) Level 2:Inputs other than quoted prices included within level 1 that are observable, either directly or indirectly, for the asset or liability.
(c) Level 3:Inputs for the asset or liability which is not based on observable market data (unobservable input).

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

3.2 Property Plant & Equipment:
On transition to IND AS, the Company has elected to continue with the carrying value of all its property plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property,plant and equipment.
Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

3.3 Intangible Asset
The company initially recognises the intangible asset at Cost and subsequently meaure the intangible asset at its cost less accumulated amortisation and any impairment losses by following the Cost model as per Ind AS 38 "Intangible Assets". During the construction phase of the arrangement the company asset is classified as a right to receive a licence to charge users of the infrastructure. The company estimates the fair value of its consideration received or receivable as equal to the forecast construction costs .
In accordance with Ind AS 38, Intangible assets with finite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Other intangible assets are amortised on straight line basis over the period in which it is expected to be available for use by the company.

3.4 Derecognition of Tangible and Intangible assets
An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.5 Impairment of Tangible and Intangible Assets
Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in

3.6 Financial Assets and Financial Liabilities
Financial Assets and Financial Liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of
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 the Statement of Profit and Loss.
The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within the operating cycle of the
The classification of financial instruments whether to be measured at Amortized Cost, Fair Value through Profit and Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

(i) Cash and cash equivalents
All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial Liabilities measured at amortised cost
Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are
The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate
The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii)Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.
The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.
However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vi) Impairment of financial assets

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.
The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.
However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vii) Derecognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and

3.7 Provisions, Contingent liabilities and Contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized 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.

Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is

3.8 Service Concession Arangements

The Company recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognitions of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition, the intangible assets is measured at cost, less any accumulated amortisations and accumulated impairment losses.

3.9 Revenue recognition

(i) Revenue is recognised when all the significant risk and rewards are transferred as per terms and no uncertainity exists regarding the amount of the consideration that will be derived from the contract. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

(ii) In respect of construction/ project related activity, the Company follows percentage of completion method. Percentage of completion is determined by survey of work performed / physical measurement of work actually completed at the balance sheet date taking into account

3.10 Interest Income

Interest has been accounted using effective interest rate method. Insurance claims/ other claims are accounted as and when admitted / settled.

3.11 Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current Tax

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is accounted for using the balance sheet liability method in respect of temporary Differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.

Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled. Deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to other comprehensive income in

3.12 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.13 Employee benefits

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Critical Accounting Judgments and Key Sources of Estimation Uncertainty:

The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of Intangible assets, allowance for doubtful debts/advances, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

MBL (MP) TOLL ROAD COMPANY LIMITED
Notes to Financial Statements for the Year ended 31st March, 2018

	Particulars	As at March 31,2018	As at March 31,2017
4	**Other Intangible Assets**		
	Carriage Ways*		
	Opening Cost/Deemed Cost	3,091.58	3,091.58
	Additions		-
	Deletion		-
	Adustment		-
	Closing Cost	3,091.58	3,091.58
	Opening Accumulated amortization	256.92	102.67
	Amortization during the year	775.43	154.25
	Deletion		-
	Closing Accumulated amortization	1,032.35	256.92
	Closing Net Carrying Amount	2,059.23	2,834.66

*Being the right to operate and maintain the highways on Build, Operate and Transfer

	Particulars	As at March 31,2018	As at March 31,2017
5	**Trade Receivables:**		
	Unsecured, Considered Good*	4,438.42	4,045.55
		4,438.42	4,045.55

5.1 The above balances are subject to confirmation/reconciliation and consequential impact thereof.

	Particulars	As at March 31,2018	As at March 31,2017
6	**Current Financial Assets-Trade Receivables**		
	(Unsecured - considered good unless otherwise stated)		
	Considered Good	1,309.91	1,075.77
	Considered Doubtful		
		1,309.91	1,075.77
	Less: Impairment Allowance for Doubtful Receivables		-
		1,309.91	**1,075.77**

6.1 The above balances are subject to confirmation/reconciliation and consequential impact thereof.

	Particulars	As at March 31,2018	As at March 31,2017
7	**Current Financial Assets-Cash and Cash Equivalents**		
	Balances with banks:		
	On current accounts	5.81	0.74
	Cash on hand	7.66	7.09
	Deposits with banks having maturity less than 3 months*	0.33	0.26
		13.80	**8.09**

*Fixed deposits pledged with others as security deposit Rs. 0.33 Lakh (March 31, 2017 Rs. 0.26 Lakh)

MBL (MP) TOLL ROAD COMPANY LIMITED
Notes to Financial Statements for the Year ended 31st March, 2018

	Particulars	As at March 31,2018	As at March 31,2017
8	**Current Financial Assets-Others**		
	Unsecured Considered Good unless otherwise stated		
	Security and Other Deposits		
	Accrued Interest on fixed deposits	3.20	0.03
		3.20	**0.03**

8.1 The above balances are subject to confirmation/reconciliation and consequential impact thereof.

	Particulars	As at March 31,2018	As at March 31,2017
9	**Other Current Assets**		
	Other	0.36	
		0.36	-

MBL (MP) TOLL ROAD COMPANY LIMITED
Notes to Financial Statements for the Year ended 31st March, 2018

Particulars	As at March 31,2018	As at March 31, 2017
		(Rs. in Lakh)
10 Equity Share Capital		
Authorised Shares		
1,50,00,000 (March 31, 2016: 1,50,00,000 & April 1, 2015: 1,50,00,000) Equity Shares of Rs. 10/- each	1,500.00	1,500.00
	1,500.00	**1,500.00**
Issued, Subscribed & Fully Paid Up Shares		
1,50,00,000 (March 31, 2016: 1,50,00,000 & April 1, 2015: 1,50,00,000) Equity Shares of Rs. 10/- each fully paid up	1,500.00	1,500.00
	1,500.00	**1,500.00**

10.1 The company has only one class of equity shares having a par value of 10 per share. Each shareholder is eligible for one vote per share.

10.2 In the event of Liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

10.3 Reconciliation of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Number	Value (Rs in Lakh)	Number	Value (Rs in Lakh)
Equity Shares:				
No.of Shares at the beginning of the year	1,50,00,000	1,500.00	1,50,00,000	1,500.00
Add: Bonus shares issued	-	-		-
Add: Shares issued during the year	-	-	-	-
No.of Shares at the end of the year	**1,50,00,000**	**1,500.00**	**1,50,00,000**	**1,500.00**

10.4 The details of shareholders holding more than 5% shares of the aggregate share in the company:

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	No.of Shares	%	No.of Shares	%
MBL Infrastructures Limited	1,50,00,000	100.00%	1,50,00,000	100.00%

Particulars	Ref Note No	As at March 31,2018	As at March 31,2017
			(Rs. in Lakh)
11 Other Equity			
Capital Redemption Reserve			
Securities Premium Reserve			
General Reserve			
Retained Earnings	11.1	290.86	219.16
Other Comprehensive Income (OCI)			
- Remeasurement of defined benefit plans			
		290.86	**219.16**

11.1 Retained Earnings generally represent the undistributed profits /amount of accumulated earnings of the Company.

11.2 Refer Statement of changes in Equity (SoCE) for movement in balances of reserves.

MBL (MP) TOLL ROAD COMPANY LIMITED
Notes to Financial Statements for the Year ended 31st March, 2018

(Rs. in Lakh)

	Particulars	As at March 31,2018	As at March 31,2017
12	**Non Current Financial Liability - Borrowings**		
	Secured Term Loan		
	External Commercial Borrowings		
	-From Bank	1,611.61	2,408.65
		1,611.61	**2,408.65**

12.1 External commercial borrowing (ECB) availed by the company from a bank is secured t
i) First charge on all the movable & immovable assets of the company , present and futu
ii) First charge on escrow account.
iii)First charge on intangible assets.
iv)Pledge of 30% equity shares of the company held by the holding company.

12.2 Maturity profile of long term borrowings are set out below

Particulars	Rate of Interest(%)	within 1 year*	1 to 2 years	2 to 3 years	beyond 3 years
From Banks	between LIBOR+(4.50% -7.00% p.a.)	2,017.72	805.50	806.11	
Total		**2,017.72**	**805.50**	**806.11**	-

* Refer Note 16 for Current Maturities on Long Term Debt

(Rs. in Lakh)

	Particulars	As at March 31,2018	As at March 31,2017
13	**Deferred Tax Liabilities**		
	Deferred Tax Liabilities	1,537.21	1,402.11
	Deferred Tax Asset	1,554.73	1,366.59
		(17.53)	**35.52**

Gross deferred tax liability and assets for the year ended 31st March 2018 are as follows:

(Rs. in Lakh)

Particulars	Opening Balance 01.04.2017	Recognised in Profit and Loss	Closing Balance 31.03.2018
Deferred Tax Liabilities			
Difference in carrying value and tax base of Financial Liability	2.02	(0.86)	1.16
Difference in carrying value and tax base of Financial asset	1,400.09	135.96	1,536.05
Total Deferred Tax Liabilities	**1,402.11**	**135**	**1,537.21**
Deferred Tax Assets			
Difference in carrying value and tax base of Intangible Asset	1,366.59	188.14	1,554.73
Total Deferred Tax Assets	**1,366.59**	**188.14**	**1,554.73**
Deferred Income Tax Liabilities after set off	**35.52**	**(53.05)**	**(17.53)**

(Rs. in Lakh)

	Particulars	As at March 31,2018	As at March 31,2017
14	**Current Financial Liability - Borrowings**		
	Unsecured		
	-Bank Overdraft	-	27.72
		-	**27.72**

MBL (MP) TOLL ROAD COMPANY LIMITED
Notes to Financial Statements for the Year ended 31st March, 2018

(Rs. in Lakh)

	Particulars	Ref Note No	As at March 31,2018	As at March 31,2017
15	**Current Financial Liability -Trade Payables**			
	Acceptences			
	A) Total outstanding dues of micro enterprises and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006	18.1		
	B) Others	18.2	1,943.96	1,904.07
			1,943.96	**1,904.07**

15.1 Disclosure of Trade Payables is based on information available with Company regarding the status of suppliers if any, as defined under the "Micro, Small and Medium Enterprise Development Act, 2006". There are no delays in payment made to such suppliers. There is no

15.2 Balances are subject to confirmations/reconciliations and consequential impact thereof.

(Rs. in Lakh)

	Particulars	As at March 31,2018	As at March 31,2017
16	**Current Financial Liability -Others**		
	Current maturity of Long Term Debt		
	-From Banks	2017.72	1605.49
	Others	410.06	170.60
		2,427.78	**1,776.09**

(Rs. in Lakh)

	Particulars	As at March 31,2018	As at March 31,2017
17	**Other Current Liabilities**		
	Statutory Dues Payable	59.27	58.49
		59.27	**58.49**

(Rs. in Lakh)

	Particulars	Ref Note No	As at March 31,2018	As at March 31,2017
18	**Current Tax Liabilties (net)**			
	Provision for Tax (net)	21.1	8.97	34.40
			8.97	**34.40**

18.1 Provision for tax of Rs. 3.06 Lakh (March 31,2017: Rs. 34.40 Lakh) is net of advance tax of Rs. 35.87 Lakh (March 31,2016: Rs. 4.53 Lakh).

MBL (MP) TOLL ROAD COMPANY LIMITED
Notes to Financial Statements for the Year ended 31st March, 2018

(Rs. in Lakh)

	Particulars	For the year ended March 31,2018	For the year ended March 31,2017
19	**Revenue from Operations**		
	Income from Annuity	-	-
	User fee (toll)	121.24	66.28
		121.24	**66.28**

	Particulars	For the year ended March 31,2018	For the year ended March 31,2017
20	**Other Income**		
	Interest on fixed deposits	0.04	0.49
	Interest Income wrt BOT Adjustment	392.34	486.80
	Gain due to change in estimate wrt BOT Adjustment	652.52	
	Net Profit on Foreign currency transactions and translation	-	85.59
		1,044.90	**572.88**

	Particulars	Ref Note No	For the year ended March 31,2018	For the year ended March 31,2017
21	**Employee Benefit Expenses**			
	Salaries, Wages and Bonus		11.14	19.62
			11.14	**19.62**

	Particulars	Ref Note No	For the year ended March 31,2018	For the year ended March 31,2017
22	**Finance Cost**			
	Interest on loan		237.22	189.46
	Other Borrowing Cost		5.03	16.52
	Net Loss on Foreign currency transactions and translation		9.26	-
	Interest Expense wrt transaction cost amortisation		2.51	3.12
			254.02	**209.10**

	Particulars	Ref Note No	For the year ended March 31,2018	For the year ended March 31,2017
23	**Depreciation and Amortisation Expense**			
	Ammortisation of Intangible Asset		72.64	154.25
	Loss due to Change in Estimates		702.79	-
			775.43	**154.25**

	Particulars	Ref Note No	For the year ended March 31,2018	For the year ended March 31,2017
24	**Other Expenses**			
	Electricity Charges		4.28	1.12
	Routine Maintenance Expenses		15.46	11.59
	Periodical Maintenance Expenses		44.52	173.31
	Direct Labour Expenses		6.43	-
	Payments to auditor			
	Statutory audit		0.25	0.29
	Director Sitting Fee		-	0.50
	Legal and professional fees		2.05	0.97
	Insurance Charge		-	0.74
	Consultancy Charges		-	17.80
	Miscellaneous expenses		28.01	3.22
	TOTAL		**101.00**	**209.54**

MBL (MP) TOLL ROAD COMPANY LIMITED
Notes to Financial Statements for the Year ended 31st March, 2018

25 Tax Expense

(a) The major components of income tax expense for the year are as under:

(Amount in Lakh)

	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
(i)	Income tax recognised in the Statement of Profit and Loss		
	Current Tax	5.91	0.02
	Deferred Tax	(53.05)	16.11
	Total Income tax expenses recognised in statement of profit and loss	**(47.14)**	**16.13**
(ii)	Income tax expense recognised in OCI		-
	Deferred tax expense on remeasurement of defined benefit plans		-
	Income tax expense recognised in OCI		-

(b) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income rate to recognised income tax expense for the year indicated are as below:

(Amount in Lakh)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Accounting Profit/(Loss) before tax	24.55	46.65
Statutory income tax rate	33.90%	33.90%
Tax at statutory income tax rate	8.32	15.81
Disallowable expenses		-
Non-Taxable Income		-
Corporate Social Responsibility		
Temporary differences	(53.05)	16.11
Others	(14.23)	(15.79)
Total	**(47.14)**	**16.13**

29 Disclosure of related parties / related party transactions:

In accordance with the requirements of IND AS 24 on related parties disclosures , name of the related party, related party relationship, transaction and outstanding balances including commitments where control exists and with whom transaction have taken place during the reporting period are:

A. Related party disclosures

Relationship	Name of the related party
Holding Company	MBL Infrastructures Limited
Key Management Personnel	a) Anjanee Kumar Lakhotia (Director) b) Bhagwan Singh Duggal (Director)
Enterprises owned or significantly influenced by key management personnel or their relatives	a) MBL Projects Limited b) MBL (Haldia) Toll Road Company Limited c) MBL Highway Development Company Ltd

B. Transactions carried out with related parties referred in "A" above, in ordinary course of business

Rupees in Lakh

Nature of Transactions	Holding Company		Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Consultancy Chrages						
MBL Projects Limited	-	-	-	16.90	-	-
MBL (Haldia) Toll Road Comapany Ltd	-	-	-	0.90	-	-
Amount Paid						
MBL Projects Limited		-	-	16.90		
MBL (Haldia) Toll Road Comapany Ltd			-	0.90		
MBL Highway Development Company Ltd				-		
Development charges paid						
MBL Infrastructures Limited	59.98	184.90	-	-	-	-

C. Balance outstanding as on 31st March, 2018

Nature of Transactions	Holding Company		Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Trade Receivable						
MBL Projects Limited	-	-	2.42	-	-	-
Other Financial Assets						
MBL Highway Development Company Ltd	-	-	3.20	-	-	-
Trade Payble						
MBL Infrastructures Limited	1,924.65	1884.76	-	-	-	-
Other Financial Liabilities						
MBL (Haldia) Toll Road Company Limited	-	-	0.86	-	-	-

MBL (MP) TOLL ROAD COMPANY LIMITED
Notes on Financial Statements for the year ended 31st March, 2018

27 The Company has defaulted in the repayment of dues (interest and principal) during the period. The details of continuing default of principal and interest are as follows :

Period of Default **(Rs. in Lacs)**

Terms Loan From Banks & Financial Institution	0 to 30 Days	31 to 60 Days	61 to 90 Days	Above 90 Days
Interest Amount	60.32	-	66.81	279.63
Principal Amount	201.64	-	201.64	930.59

28 In the opinion of the Board of Directors, all the current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and all the known liabilities have been provided for.

29 **Segment Reporting**
The company's operations operations consists "Construction/Project Activities" and there are no other reportable segment under Ind AS-108 as identified by the Chief operating Officer of the company.

30 **Financial risk management, objective and policies**

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows :-

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Asset (Current and Non Current)*				
At Ammortised cost				
Trade Receivables	5,748.33	5,748.33	5,121.32	5,121.32
Cash and Cash Equivalents	13.80	13.80	8.09	8.09
Other Financial Assets	3.20	3.20	0.03	0.03
Financial Liabilities (Current and Non-Current)*				
At Amortised Cost				
Borrowings	1,611.61	1,611.61	2,436.37	2,436.37
Trade Payables	1,943.96	1,943.96	1,904.07	1,904.07
Other Financial Liabilities	2,427.78	2,427.78	1,776.09	1,776.09

* Both financial asset and financial liability are measured using Level II inputs

Valuation
The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
The following methods and assumptions were used to estimate the fair values :
The fair value of cash and cash equivalents, current trade payables, curent trade receivable, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

The Company's business activities are exposed to a variety of financial risks - credit risk, liquidity risk and market 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 risks are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and approves policies for managing each of these risks, which are summarized below:

I. Credit risk
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables). To manage this, the management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly.
The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. Receivables from customers are reviewed/evaluated periodically by the management and appropriate provisions are made to the extent recovery there against has been considered to be remote. Accordingly, the main components of these allowances are a specific clause component that relates to individually significant exposures and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the Company's maximum exposure to credit risk.
Credit exposure is managed by counterparty limits for investment of surplus funds which is reviewed by the Management. Bank balances are held with reputed and creditworthy banking institutions.

Trade receivables disclosed include amounts that are past due at the end of the reporting period but against which the Company has not recognised an allowance for doubtful receivables because there has not been a significant change in credit quality and the amounts are still considered recoverable. The aging analysis of the trade receivables, net of allowances that are past due, is given in Note no 9.2

II. Market risk

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 prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.
The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(i) The exposure of group borrowings to interest rate changes at the end of reporting period are as follow: (Rs in lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Variable rate borrowings	3,629.33	4,014.14
Fixed rate borrowings	-	-
Total borrowings	**3,629.33**	**4,014.14**

(ii) Sensitivity
Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.
(Rs in lakh)

Particulars	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Borrowings	+50	+50	(18.15)	(20.07)
	- 50	- 50	18.15	20.07

(b) Foreign currency risk

The company does not have any significant transaction in foreign currency except foreign currency ECB loan .There are no outstanding Derivative contracts as on 31st March 2018 however the company have unhedged foreign currency exposure as on 31st march ,2018.

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the company's financial assets and financial liabilities at the reporting date i.e. 31st March 2018, net of related foreign exchange contracts.

The impact on the Company's profit before tax and other comprehensive income due to Changes in the fair value of monetary assets and liabilities are given below:

Foreign Exchange Risk And Sensitivity (Un hedged) **(₹ In Lakh)**

Change in currency exchange rate	Effect on profit before tax For the year ended 31-Mar-18	Effect on profit before tax For the year ended 31-Mar-17
5%	(18.15)	(20.07)
-5%	18.15	20.07

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market conditions.

Summary of exchange difference accounted in Statement of Profit and Loss

(₹ In Lakh)

Particulars	For the year ended 31-Mar-18	For the year ended 31-Mar-17
Net foreign exchange (gain) / losses	9.26	(85.59)
TOTAL	**9.26**	**(85.59)**

(c) **Price Risk**

The company does not have any investments in equity and commodity at the current year end and previous year. Therefore the company is not exposed to price risk.

III. **Liquidity Risk**

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(Rs in lakh)

As at March 31, 2018	Carrying Amount	On Demand	Less than One Year	More than one year	Total
Interest bearing borrowings (including current maturity)	3,629.33	-	2,017.72	1,611.61	3,629.33
Trade Payables	1,943.96	-	1,943.96	-	1,943.96
Other Financial Liabilities	410.06	-	410.06	-	410.06
Total	**5,983.35**	**-**	**4,371.75**	**1,611.61**	**5,983.35**

As at March 31, 2017	Carrying Amount	On Demand	Less than One Year	More than one year	Total
Interest bearing borrowings (including current maturity)	4,014.14	-	1,605.49	2,408.65	4,014.14
Trade Payables	1,904.07	-	1,904.07	-	1,904.07
Other Financial Liabilities	170.60	-	170.60	-	170.60
Total	**6,088.81**	**-**	**3,680.16**	**2,408.65**	**6,088.81**

IV **Capital risk management**

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy continuing growth. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital. Net debts are non-current and current debts as reduced by cash and cash equivalents.

The company also monitors capital using gearing ratio which is net debt divided by total capital. The gearing ratio is as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Debt (Borrowings from Banks & Financial Institution)	3,629.33	4,014.14
Cash & bank balances	13.80	8.09
Net Debt(net of cash and cash equivalent)	3,615.53	4,006.05
Total Equity	1,790.86	1,719.16
Capital and net debt	5,406.39	5,725.21
Net debt to equity ratio (Gearing Ratio)	**0.67**	**0.70**

Notes-

(i) Debt is defined as long-term and short-term borrowings including current maturities as described in notes

(ii) Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

MBL (MP) TOLL ROAD COMPANY LIMITED
Notes on Financial Statements for the year ended 31st March, 2018

31 **Earnings per Share**

Basic and diluted earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

(₹ In Lakh except otherwise stated)

	Particulars	31st March, 2018	31st March, 2017
i.	Profit/(loss) attributable to equity shareholders	71.69	30.52
ii.	Weighted average number of equity shares	150	150
iii.	Basic & diluted earnings per equity share (In ₹)*	0.48	0.20

32 **Financial and Derivative instrument's:-**

i) ECB with currency swaps outstanding **(₹ in lakh)**

Particulars		**As at 31st March, 2018**	**As at 31st March, 2017**
For long term maturities		-	-
For Short term maturities		-	-
Total		-	-

ii) Unhedged ECB outstanding **(₹ in lakh)**

Particulars		**As at 31st March, 2018**	**As at 31st March, 2017**
For long term maturities		1,611.61	2,408.65
For Short term maturities		2,017.72	1,605.49
Total		**3,629.33**	**4,014.14**

33 In accordance with the provisions of "Indian Accounting Standard (Ind AS) -36 - Impairment of Assets", the company has made an assessment of the recoverable amount of assets based on higher of , the value in use considering its projected scale of operations, prevailing market conditions, future cash flows and future growth projections and estimated net selling price of the assets pertaining to its various Cash Generating Units and found recoverable amount of these assets to be higher as compared to carrying value of assets in its Financial Statements. Accordingly, management considers that there is no need for the provision on account of impairment of assets.

34 **Foreign Currency Transactions**

Expenses	**2017-18**	**2016-17**
Interest	-	123.25
Bank Charges		
ECB Repayment	400.06	211.74

35 These financial statements have been approved by Board of Directors of the Company in their meeting dated May 30th, 2018 for issue to the shareholders for their adoption.

In terms of our report of even date attached.
For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653
New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d

Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d

Bhagwan Singh Duggal
Director
DIN-06634772

s/d

Vijay Singh Shekhawat
Chief Financial Officer

MBL (MP) ROAD NIRMAN COMPANY LIMITED
AUDITED ANNUAL ACCOUNTS
FOR FY 2017-18

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MBL (MP) ROAD NIRMAN COMPANY LIMITED

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind As financial statements of **MBL (MP) ROAD NIRMAN COMPANY LIMITED**('**the Company**'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement for the year then ended and the Statement of Changes inEquity and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind ASfinancial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 ASfinancial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

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

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

OPINION

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid Ind ASfinancial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure 'B'**.

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

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d
Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to statutory audit of M/s MBL (MP) ROAD NIRMAN COMPANY LIMITEDfor the year ended 31 March 2018, we report that:

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

(b) The fixed assets have been physically verified wherever practicable on a phased manner by the management/ internal auditors and the reconciliation of the quantities with the book records has been done on continuous basis. As informed no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. Onthe basis of information and explanations provided to us, the company did not own inventory at any-time during the year under audit, hence, clause (ii) of the order is not applicable to the company

iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.

iv. 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 Act, with respect to the loans and investments made.

v. In our opinion and according to the information and explanations given to us, the Company did not receive any deposits covered under sections 73 to 76 of the Companies Act and the rules framed there under with regard to deposits accepted from the public during the year.

vi. The Central Government has prescribed maintenance of cost records under section 148 (1) of the Companies Act. We have broadly reviewed accounts and records and are of the opinion that prima facie, the prescribed accounts & records have been made & maintained but no detailed examination of such records and accounts have been carried out by us.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities*except for Tax deducted at Source by them which are not deposited.*

(b) According to the information and explanations given to us, no undisputed amount payble in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March, 2018for a period of more than six months from the date they became payble.

viii. According to the information and explanations given to us by the management, the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.

ix. Based on information and explanations given to us and records of the Company examined by us, in our opinion, the term loans have been applied for the purpose for which they were obtained.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhicompany. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d

Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act of M/s MBL (MP) ROAD NIRMAN COMPANY LIMITED for the year ended 31 March 2018, we report that:

We have audited the internal financial controls over financial reporting of M/s MBL (MP) ROAD NIRMAN COMPANY LIMITED ("the Company") as of 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial

reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d

Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

MBL (MP) ROAD NIRMAN COMPANY LIMITED
Balance Sheet as at 31st March,2018

Particulars	Note No.	As on 31st March, 2018	As on 31st March, 2017
ASSETS			
(1) Non current assets			
(a) Intangible assets under development	4	-	4,581.77
(b) Financial assets			
(i) Others	5	0.35	0.31
(c) Current tax assets (net)	6	2.14	4.00
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	7	0.97	0.96
(ii) Others	8	25.16	25.16
(b) Other current assets	9	2.05	-
TOTAL ASSETS		**30.67**	**4,612.20**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	10	3,977.00	3,977.00
(b) Other equity	11	(4,581.92)	-
LIABILITIES			
(1) Current liabilites			
(a) Financial liabilites			
(i) Borrowings			-
(ii) Trade payables	12	530.13	530.13
(i) Other financial liability	13	77.89	77.50
(b) Other current liabilites	14	27.57	27.57
TOTAL EQUITY & LIABILITY		**30.67**	**4,612.20**

Significant accounting policies and other accompanying notes (1 to 24) form an integral part of the financial statements
In terms of our report of even date attached.

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d
(Debasish Ghosh)
Proprietor
Membership No. 052653

New Delhi
Dated: May 30th, 2018

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Bhagwan Singh Duggal
Director
DIN-06634772

s/d
Ganesh Kumar
Chief Financial Officer

MBL (MP) ROAD NIRMAN COMPANY LIMITED
Statement of Profit and Loss for the period ended 31st March,2018

Particulars	Note No	As on 31st March, 2018	As on 31st March, 2017
INCOME			
Revenue from operation		-	
Other income	15	0.03	
(A) TOTAL INCOME		**0.03**	-
EXPENSES			
Cost of materials consumed			-
Employee benefits expense			-
Finance costs			-
Depreciation and amortisation expense (Ammortisation of Intangible Asset			-
Other expenses	16	0.35	-
(B) TOTAL EXPENSES		**0.35**	-
(C) Profit/(Loss) before exceptional items and tax (A-B)		**(0.32)**	-
Exceptional Items	17	4,581.60	
(C) Profit/(Loss) after exceptional items and before tax (A-B)		**(4,581.92)**	-
Tax Expense:			
(1) Current Tax		-	-
(2) Income Tax for earlier years		-	-
(3) Deferred Tax		-	-
Total Profit/(Loss) for the period (E)		**(4,581.92)**	-
OTHER COMPREHENSIVE INCOME			-
i. Items that will not be reclassified to profit or loss			-
ii. Income tax relating to items that will not be reclassified to profit or loss			-
Total Other Comprehensive Income (i+ii) (F)		-	-
Total INCOME (E+F)		**(4,581.92)**	-
Earning per equity share(Face Value Rs. 10/- each) (in Rs.)			
Basic and Diluted		(11.52)	-

Significant accounting policies and other accompanying notes (1 to 24) form an integral part of the financial statements
In terms of our report of even date attached.

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d
(Debasish Ghosh)
Partner
Membership No. 052653

Place : New Delhi
Dated: May 30th, 2018

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Ganesh Kumar
Chief Financial Officer

s/d
Bhagwan Singh Duggal
Director
DIN-06634772

MBL (MP) ROAD NIRMAN COMPANY LIMITED
Statement of changes in equity for the year ended 31st March 2018

Equity Share Capital

Particulars	Rupees in Lakh
Balance as on March 31, 2017	3,977.00
Add: Changes during the year 2017-18	-
Balance as on March 31, 2018	3,977.00

Other Equity

(Rs in Lakh)

Particulars	Reserve and Surplus		Total
	General Reserve	Retained Earnings	
Balance as on March 31, 2017	-	-	-
Profit for the year	-	(4,581.92)	(4,581.92)
Amount utlized for issue of Bonus shares	-	-	-
Dividend payments including dividend distribution tax	-	-	-
Transfer from retained earnings	-	-	-
Re-measurements of the net defined benefit Plans	-	-	-
Balance as on March 31, 2018	-	**(4,581.92)**	**(4,581.92)**

Significant accounting policies and other accompanying notes (1 to 24) form an integral part of the financial statements
In terms of our report of even date attached.

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Proprietor
Membership No. 052653

Place: New Delhi
Dated: May 30th, 2018

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Ganesh Kumar
Chief Financial Officer

s/d
Bhagwan Singh Duggal
Director
DIN-06634772

MBL (MP) ROAD NIRMAN COMPANY LIMITED
Cash Flow Statement for the year ended 31st March, 2018

Rupees in Lacs

	For the year ended 31.03.2018		For the year ended 31.03.2017	
A. Cash flow from operating activities:				
Net profit before tax & extraordinary items		(0.32)		
Adjusted for :				
Depreciation/Amortisation Expenses				
Finance cost		-		
		(0.32)		
Operating profit before working capital changes:			-	
Adjustments for Working Capital Changes:				
(Increase) / Decrease in other assets	(0.23)		61.01	
Increase / (Decrease) in trade payables and other liabilities			530.13	
Increase / (Decrease) in other current liabilities	0.39		20.50	
(Increase) / Decrease in short term loans & advances	-	**0.16**	-	**611.64**
Less : Direct taxes paid		-		-
Net cash generated from / (used in) operating activities		**(0.16)**		**611.64**
B. Cash flow from investing activities:				
Intangible asset under development	0.17		(611.70)	
Net cash generated from / (used in) investing activities		**0.17**		**(611.70)**
Net Increase / (Decrease) in cash and cash equivalents (A+B)		**0.01**		**(0.06)**
Opening balance of cash & cash equivalent		**0.96**		**1.02**
Closing balance of cash & cash equivalent (Refer Note 7)		**0.97**		**0.96**

The accompaying notes are an integral part of these financial statement

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Proprietor
Membership No. 052653

Place: New Delhi
Dated: May 30th, 2018

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Bhagwan Singh Duggal
Director
DIN-06634772

s/d
Ganesh Kumar
Chief Financial Officer

MBL (MP) ROAD NIRMAN COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018

1. Corporate Information

MBL (MP) Road Nirman Company Ltd (or 'the Company') is a company incorporated and domiciled in India and is incorporated under the provisions of companies Act applicable in India and a registered office at Baani Corporate One Tower, Suite No. 303 3rd Floor, Plot No. 5, Dist. Commercial Centre, Jasola New Delhi 110076

Description of Business:

Road on DBFOT (Design,Build, Finance, Operate &Transfer) basis:

A 'Concession Agreement' entered into between MBL (MP) Road Nirman Company Ltd. (termed as "concessionaire") and MP Road Development Corporation on 22.03.2013, conferred the rights of concession of 49.86 km road, to implement the project and recover the project cost, through levy of toll revenue over the toll period commencing from the date of start upto a period of 15 years (including construction period of 1.5 years). The concessionaire is entitled for annuity of Rs. 8.15 crore semi-annually for 13 years after 6 months of COD.The concessionaire is required to transfer the project asset to MPRDC in accordance with the said concession agreement at the end of concession period. The said project has been terminated by MPRDC by order No. MPRDC/BOT/S-K/2016/13237 dated 18th November, 2016. The company has invoked arbitration.

2. Statement of Compliance and Recent Pronouncements

2.1 Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2016 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

The financial statements have been prepared on accrual basis in accordance with the Generally Accepted Accounting and the Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, then applicable (Previous GAAP) to the company.Previous period figures in the Financial Statements have now been recasted/restated in compliance to Ind AS.

2.2 Recent accounting Pronouncements

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"

3. 1.Basis of Prepration

The Financial Statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/ amortized costs at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IND AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest Lakhs, unless otherwise indicated.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

(a) Level 1:Quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2:Inputs other than quoted prices included within level 1 that are observable, either directly or indirectly, for the asset or liability.

(c) Level 3:Inputs for the asset or liability which is not based on observable market data.

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

3.2 Property Plant & Equipment:

On transition to IND AS, the Company has elected to continue with the carrying value of all its property plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property,plant and equipment.
Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

3.3 Intangible Asset

The company initially recognises the intangible asset at Cost and subsequently meaure the intangible asset at its cost less accumulated amortisation and any impairment losses by following the Cost model as per Ind AS 38 "Intangible Assets" . During the construction phase of the arrangement the company asset is classified as a right to receive a licence to charge users of the infrastructure. The company estimates the fair value of its consideration received or receivable as equal to the forecast construction costs .
In accordance with Ind AS 38, Intangible assets with finite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Other intangible assets are amortised on straight line basis over the period in which it is expected to be available for use by the company.

3.4 Derecognition of Tangible and Intangible assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.5 Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.
Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

3.6 Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities (financial instruments) 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 the Statement of Profit and Loss.
The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within the operating cycle of the company or otherwise these are classified as non-current.
The classification of financial instruments whether to be measured at Amortized Cost, Fair Value through Profit and Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

(i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.
The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.
The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii)Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.
A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.
The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.
However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vi) Impairment of financial assets
A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.
The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.
However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vii) Derecognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

3.7 Provisions, Contingent liabilities and Contingent assets
Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized 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.
Contingent liabilities are not recognized or disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.
Contingent assets are not recognised or disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3.8 Service Concession Arangements
The Company recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognitions of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition, the intangible assets is measured at cost, less any accumulated amortisations and accumulated impairment losses.

Critical Accounting Judgments and Key Sources of Estimation Uncertainty:
The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of Intangible assets, allowance for doubtful debts/advances, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

MBL (MP) ROAD NIRMAN COMPANY LIMITED
Notes on Financial Statements for the year ended 31st March, 2018

	Description	As on 31.03.2018	As on 31.03.2017
4	**Non Current Assets - Capital work in progress**		
	INTANGIBLE ASSET UNDER DEVELOPMENT		
	Payment for Development Charges	-	4,319.25
	Payment to Independent Engineer	-	101.37
	Loan Processing Fees	-	11.24
	Salary & Wages	-	53.62
	Insurance Expenses	-	4.18
	Design, Drawing & Survey Charges	-	11.83
	Director's Sitting Fees	-	1.55
	Professional Charges	-	26.74
	Payment to auditor		
	Statutory audit	-	0.40
	Internal Audit Fee	-	0.37
	Filling Fees	-	27.69
	Bank Charges	-	0.26
	Interest on Fixed Deposit	-	(0.07)
	Rate & Taxes	-	6.01
	Miscellaneous Expenses	-	9.75
	Preliminary expenses written off	-	7.58
	Total - Intangible assets under development	**-**	**4,581.77**
5	**Non Current Assets - Financial Assets - Others**		
	Fixed deposits with maturity more than 12 months		
	Fixed Deposits (refer note 5.1)	0.35	0.31
	Fixed deposits of maturity more than 12 months with banks	**0.35**	**0.31**
5.1	Fixed deposits pledged with others as security deposit Rs. 0.35 lakhs (Previous year Rs. 0.31 lakhs).		
6	**Current Tax Assets (net)**		
	TDS Receivable	2.14	4.00
	Grand Total- Current Tax Assets (net)	**2.14**	**4.00**
7	**Current Assets - Cash and Cash Equivalents**		
	Balances with banks:		
	On current accounts	0.97	0.96
	Cash	-	-
	Current account balances with scheduled banks	**0.97**	**0.96**
8	**Current Assets - Financial Assets - Others**		
	Retention Money - MPRDC	12.01	12.01
	Withheld - MPRDC	13.15	13.15
	Grand Total - Current Assets - Financial Assets - Others	**25.16**	**25.16**
9	**Current Assets - Other Current Assets**		
	Other Advances	2.05	-
	Grand Total - Current Assets - Other Current Assets	**2.05**	**-**

MBL (MP) ROAD NIRMAN COMPANY LIMITED
Notes on Financial Statements for the year ended 31st March, 2018

	Description	As on 31.03.2018	As on 31.03.2017
10	**Equity Share Capital**		
	Authorised Shares		
	3,97,70,000 (P.Y.3,97,70,000) Equity Shares of ` 10/- each	1,000.00	1,000.00
		1,000.00	**1,000.00**
	3,97,70,000 (P.Y.3,97,70,000) Equity Shares of ` 10/- each fully paid up	3,977.00	3,977.00
	Total Equity Share Capital	**3,977.00**	**3,977.00**

10.1 The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share.

10.2 Share in the company held by each shareholder holding more than 5% shares

	As as 31.03.2018		As as 31.03.2017	
Name of Shareholders	**No. of Shares**	**Percentage**	**No. of Shares**	**Percentage**
MBL Infrastructures Limited	10000000	25.14%	10000000	25.14%
MBL Projects Limited	29770000	74.86%	29770000	74.86%

	Description	As on 31.03.2018	As on 31.03.2017
11	**OTHER EQUITY**		
	Surplus		
	Opening balance	-	-
	Add: Transfer from statement of profit and loss	-4,581.92	-
	Retained Earnings	-4,581.92	-
	Total Other Equity	-4,581.92	-
12	**Current Financial liabilites**		
	Trade payables	530.13	530.13
		530.13	530.13
13	**Current Liabilities - Financial Liabilities - Others**		
	Other Liabilities		
	Others Liabilities	77.89	77.50
	Grand Total-Current Liabilities-Financial Liabilities-Others	77.89	77.50
14	**Other current liabilities**		
	TDS Payable	27.57	27.57
	Total Other Current Liabilities	27.57	27.57
15	**OTHER INCOME**		
	Interest on fixed deposits	0.03	
	Total Other Current Liabilities	0.03	-
16	**OTHER EXPENSES**		
	Payments to auditor		
	Statutory audit	0.10	
	Professional expenses	0.25	
		0.35	-
17	**EXCEPTIONAL ITEMS**		
	Exceptional Items	4,581.60	-
		4,581.60	-

MBL (MP) ROAD NIRMAN COMPANY LIMITED

Notes on Financial Statements for the year ended 31st March, 2017

18 **RELATED PARTY DISCLOSURES:**

In accordance with the requirements of IND AS 24 on related parties disclosures , name of the related party, related party relationship, transaction and outstanding balances including commitments where control exists and with whom transaction have taken place during the reporting period are:

A. Related party disclosures

Relationship	Name of the related party
Holding company	MBL Projects Limited
Key Management Personnel	Anjanee Kumar Lakhotia (Director) Ashwini Kumar Singh (Director) Ganesh Kumar (Chief Financial Officer)
Enterprises owned or significantly influenced by key management personnel or their relatives	MBL Infrastructures Limited

B. Transactions carried out with the related party referred in "A" above, in the ordinary course of business

A. Transactions

Rupees In Lakhs

Particulars	Holding Company		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Advance Paid						
MBL Projects Limited	2.00					
Development Charges Paid						
MBL Infrastructures Limited	-	-	-	-	-	697.07

B. Outstanding Balance

Rupees In Lakhs

Particulars	Holding Company		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Other current Assets						
MBL Projects Limited	2.00	-				
Trade Payable						
MBL Infrastructures Limited					-	525.85

19 CAPITAL MANAGEMENT

(a) Risk Management

The primary objective of the Company's Capital Management is to maximize the shareholder value and also maintain an optimal capital structure to reduce cost of capital. In order to manage the capital structure, the Company may adjust the amount of dividend paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debts.

Since there is no debt or borrowed funds, hence no disclosure is given on Capital Gearing ratio.

20 Fair Value Measurement Hierarchy

a) Financial instruments by category

Rupees In Lakhs

The carrying value and the fair value of financial instruments by categories were as follows:

Particulars	As at March 31, 2018	March 31, 2017
Financial Asset		
Measured at amortised cost*		
Other Financial Assets	25.51	25.47
Cash and Bank Balances	0.97	0.96
Total Financial Assets	**26.48**	**26.43**
Financial Liabilities		
Measured at amortised cost*		
Other Financial Liabilities	77.89	77.50
Total Financial Liabilities	**77.89**	**77.50**

* Both financial asset and financial liability are measured using Level II inputs

b) Fair Value Technique

i) The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

ii) The fair value of cash and cash equivalents, others financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Board considers that the carrying amounts of financial assets and financial liabilities recognised at cost/amortised cost in the financial statements approximates their fair values.

21 Financial Risk Management

I. The Company is yet to commence its business operations and accordingly it is at present exposed to liquidity issue only.

II. **Liquidity Risk**

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

Other Laibilities

Year	Carrying Amount	On Demand	Less than One Year	More than one year	Total
As at March 31, 2018	105.46	-	105.46	-	105.46
Total	**105.46**	-	**105.46**	-	**105.46**

Year	Carrying Amount	On Demand	Less than One Year	More than one year	Total
As at March 31, 2017	105.07	-	105.07	-	105.07
Total	**105.07**	-	**105.07**	-	**105.07**

MBL (MP) ROAD NIRMAN COMPANY LIMITED
Notes on Financial Statements for the year ended 31st March, 2018

22 The company's operation predominantly consist of infrastructure development, construction and operation and this is its operating business segment and all other activities revolve around the main activity. Accordingly, there being no other reportable segment separate disclosures as per Ind AS 108 "Operating Segments" have not been made.

23 The project has been terminated by MPRDC by order No. MPRDC/BOT/S-K/2016/13237 dated 18th November, 2016. The company has invoked arbitration.

24 The financial statements have been approved by the board of Directors of the Company on May 30th, 2018 for issue to the shareholders for their adoption.

In terms of our report of even date attached.

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d
(Debasish Ghosh)
Proprietor
Membership No. 052653

New Delhi
Dated: May 30th, 2018

For and on behalf of the Board

s/d
Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d
Bhagwan Singh Duggal
Director
DIN-06634772

s/d
Ganesh Kumar
Chief Financial Officer

MBL (HALDIA) TOLL ROAD COMPANY LIMITED
AUDITED ANNUAL ACCOUNTS
FOR FY 2017-18

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MBL (HALDIA) TOLL ROAD COMPANY LIMITED

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of **MBL (HALDIA) TOLL ROAD COMPANY LIMITED('the Company')**, which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement for the year then ended and the Statement of Changes in Equity and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Ind ASfinancial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 ASfinancial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

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

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

OPINION

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid Ind ASfinancial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure 'B'**.

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

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d
Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to statutory audit of M/s MBL (HALDIA) TOLL ROAD COMPANY LIMITEDfor the year ended 31 March 2018, we report that:

i. On the basis of information and explanations provided to us, the company did not own fixed Assets at any-time during the year under audit, hence, clause (i) of the order is not applicable to the company

ii. Onthe basis of information and explanations provided to us, the company did not own inventory at any-time during the year under audit, hence, clause (ii) of the order is not applicable to the company

iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.

iv. 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 Act, with respect to the loans and investments made.

v. In our opinion and according to the information and explanations given to us, the Company did not receive any deposits covered under sections 73 to 76 of the Companies Act and the rules framed there under with regard to deposits accepted from the public during the year.

vi. The Central Government has prescribed maintenance of cost records under section 148 (1) of the Companies Act. We have broadly reviewed accounts and records and are of the opinion that prima facie, the prescribed accounts & records have been made & maintained but no detailed examination of such records and accounts have been carried out by us.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amount payble in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March, 2018for a period of more than six months from the date they became payble.

viii. According to the information and explanations given to us by the management, the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.

ix. Based on information and explanations given to us and records of the Company examined by us, in our opinion, the term loans have been applied for the purpose for which they were obtained.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhicompany. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d
Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act of M/s MBL (HALDIA) TOLL ROAD COMPANY LIMITED for the year ended 31 March 2018, we report that:

We have audited the internal financial controls over financial reporting of M/s MBL (HALDIA) TOLL ROAD COMPANY LIMITED ("the Company") as of 31stMarch 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial

reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d

Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

MBL (HALDIA) TOLL ROAD COMPANY LIMITED
Balance Sheet as at 31st March,2018

Rs in lakh

Particulars	Note No	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
(1) Non current assets			
(a) Current tax assets (net)	4	0.16	0.16
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	5	1.30	7.01
(b) Other current assets	6	5.74	0.37
TOTAL ASSETS		**7.20**	**7.54**
EQUITY AND LIABILITIES			
(a) Equity share capital	7	7.25	7.25
(b) Other equity	8	(0.28)	0.14
LIABILITIES			
(1) Current liabilites			
(a) Financial liabilites			
(i) Trade Payables	9	0.11	0.14
(b) Other current liabilites	10	0.12	0.01
TOTAL EQUITY & LIABILITY		**7.20**	**7.54**

Significant accounting policies and other accompanying notes (1 to 20) form an integral part of the financial statements

As per our report on even date
For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

Place: New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d

Uma Devi Lakhotia
Director
DIN-00357752

s/d

Prakash
Director
DIN-07305062

MBL (HALDIA) TOLL ROAD COMPANY LIMITED
Statement of Profit and Loss for the year ended 31st March,2018

Rs in lakh

Particulars	Note No	As on 31st March, 2018	As on 31st March, 2017
INCOME			
Revenue from operation	11	-	0.90
(A) TOTAL INCOME		-	**0.90**
EXPENSES			
Other expenses	12	0.42	0.85
(B) TOTAL EXPENSES		**0.42**	**0.85**
(C) Profit/(Loss) before tax (A-B)		**(0.42)**	**0.05**
Tax Expense:			
(1) Current Tax	18	-	0.02
(2) Deferred Tax		-	-
Total Profit/(Loss) for the period (D)		**(0.42)**	**0.03**
OTHER COMPREHENSIVE INCOME	-	-	-
Remeasurements of the Net Defined Benefit Plans:			
i) Items that will not be reclassified to Profit or Loss Account	-	-	-
ii) Items that will be reclassified to Profit or Loss Account		-	-
Total Other Comprehensive Income (E)	-	-	-
Total Comprehensive Income for the period (D+E)		**(0.42)**	**0.03**
Earning per equity share(Face Value Rs. 10/- each) (in Rs)	19	(0.58)	0.04
Basic			
Diluted			

Significant accounting policies and other accompanying notes (1 to 20) form an integral part of the financial statements

As per our report on even date
For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

Place: New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d
Uma Devi Lakhotia
Director
DIN-00357752

s/d
Prakash
Director
DIN-07305062

MBL (HALDIA) TOLL ROAD COMPANY LIMITED

Statement of changes in equity for the year ended 31st March 2018

A Equity Share Capital

Particulars	Rupees in Lakhs
Balance as on March 31, 2017	7.25
Add: Changes during the year 2017-18	-
Balance as on March 31, 2018	7.25

B Other equity

Rupees in Lakhs

Particulars	Reserves and Surplus		Total
	Retained Earnings		
Balance as on March 31, 2017	**0.14**	-	**0.14**
Profit for the year	(0.42)	-	(0.42)
Balance as on March 31, 2018	**(0.28)**	-	**(0.28)**

Retained Earnings generally represent the undistributed profits /amount of accumulated earnings of the Company.

Significant accounting policies and other accompanying notes (1 to 20) form an integral part of the financial statements
As per our report on even date

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Proprietor
Membership No. 052653

Place: New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d

Uma Devi Lakhotia
Director
DIN-00357752

s/d

Prakash
Director
DIN-07305062

MBL (Haldia) Toll Road Company Limited
Cash Flow Statement for the year ended 31st March, 2018

		Rupees in Lakhs
	For the year ended 31.03.2018	**For the year ended 31.03.2017**
A. Cash flow from operating activities		
Net profit before tax & extraordinary items	(0.42)	0.05
Operating profit before working capital changes	(0.42)	0.05
Adjusted for :		
Increase / (Decrease) in trade payble	(0.03)	-
Increase / (Decrease) in other Liabilities	0.11	0.06
(Increase) / Decrease in other current assets	(5.37)	0.30
Less : Direct taxes paid		0.02
Net cash generated from / (used in) operating activities	**(5.71)**	**0.39**
Net Increase/(Decrease) in cash and cash equivalents	**(5.71)**	**0.39**
Opening balance of cash & cash equivalents	**7.01**	**6.62**
Closing balance of cash & cash equivalents (refer note 5)	**1.30**	**7.01**

The accompaying notes are an integral part of these financial statement

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Proprietor
Membership No. 052653

Place: New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d

Uma Devi Lakhotia
Director
DIN-00357752

s/d

Prakash
Director
DIN-07305062

MBL (HALDIA) TOLL ROAD COMPANY LIMITED
Notes on Financial Statements for the year ended 31st March, 2018

1. Corporate Information
MBL (Haldia) Toll Road Company Limited (or 'the Company') is a company incorporated and domiciled in India and is incorporated under the provisions of companies Act applicable in India and a registered office at Baani Corporate One Tower, Suite No. 303 3rd Floor, Plot No. 5, Dist. Commercial Centre, Jasola New Delhi 110076

2. Statement of Compliance and Recent Pronouncements

2.1 Statement of Compliance
The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2016 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.
The financial statements have been prepared on accrual basis in accordance with the Generally Accepted Accounting and the Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, then applicable (Previous GAAP) to the company.Previous period figures in the Financial Statements have now been recasted/restated in compliance to Ind AS.

2.2 Recent accounting Pronouncements
Ind AS 115
In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.
Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.
The standard permits two possible methods of transition:
• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)
The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"

3. Significant Accounting Policies

3. 1.Basis of Prepration
The Financial Statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/ amortized costs at the end of each reporting period.
Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.
As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IND AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.
The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest Lakh, unless otherwise indicated.
Fair Value Measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.
The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:
(a) Level 1:Quoted prices (unadjusted) in active markets for identical assets or liabilities.
(b) Level 2:Inputs other than quoted prices included within level 1 that are observable, either directly or indirectly, for the asset or liability.
(c) Level 3:Inputs for the asset or liability which is not based on observable market data.

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

3.2 Financial Assets and Financial Liabilities

The classification of financial instruments whether to be measured at Amortized Cost, Fair Value through Profit and Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

(i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

3.3 Provisions, Contingent liabilities and Contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized 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.

Contingent liabilities are not recognized and are not disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised or disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3.4 Revenue recognition

(i) Revenue is recognised when all the significant risk and rewards are transferred as per terms and no uncertainity exists regarding the amount of the consideration that will be derived from the contract. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

(ii) In respect of construction/ project related activity, the Company follows percentage of completion method. Percentage of completion is determined by survey of work performed / physical measurement of work actually completed at the balance sheet date taking into account contractual price/ unit rates and revision thereto.

3.5 Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current Tax

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is accounted for using the balance sheet liability method in respect of temporary Differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.

Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled. Deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to other comprehensive income in equity, in which case the corresponding deferred tax is also recognized directly in equity.

Critical Accounting Judgments and Key Sources of Estimation Uncertainty:

The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of Intangible assets, allowance for doubtful debts/advances, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

MBL (HALDIA) TOLL ROAD COMPANY LIMITED

Notes on Financial Statements for the year ended 31st March, 2018

4 **Current Tax Asset**

Rs in lakh

Particulars	As at March 31,2018	As at March 31,2017
Tax Deducted at Source (refer note 4.1)	0.16	0.16
TOTAL	**0.16**	**0.16**

4.1 Tax deducted at source of 0.20 Lakhs (March 31, 2017: Rs. 0.20 lakhs) is net of provision for tax of Rs. 0.04 lakhs (March 31, 2017: Rs. 0.04 lakhs)

5 **Current Financial Assets-Cash and Cash Equivalents**

Rs in lakh

Particulars	As at March 31,2018	As at March 31,2017
Cash in Hand	1.10	-
Balances with banks:		
On current accounts	0.20	7.01
TOTAL	**1.30**	**7.01**

6 **Other Current Assets**

Rs in lakh

Particulars	As at March 31,2018	As at March 31,2017
Advance to Related Parties	5.74	-
Prepaid Expenses	-	0.37
TOTAL	**5.74**	**0.37**

7 **Equity Share Capital**

Rs in lakh

Particulars	As at March 31,2018	As at March 31,2017
Authorised Shares		
1,00,00,000 Equity Shares of Rs. 10/- each	1,000.00	1,000.00
	1,000.00	**1,000.00**
Issued, Subscribed & Fully Paid Up Shares		
72,500 Equity Shares of Rs. 10/- each fully paid up	7.25	7.25
	7.25	**7.25**

7.1 The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share.

7.2 In the event of Liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding .

7.3 100% equity shares are held by MBL Infrastructures Ltd., the holding company and its nominees.

8 Other Equity

Rs in lakh

Particulars	As at March 31,2018	As at March 31,2017
Retained Earnings*	(0.28)	0.14
TOTAL	**(0.28)**	**0.14**

* Refer Statement of Changes in Equity (SoCE) for movement in balances of reserves.
Retained Earnings generally represent the undistributed profits /amount of accumulated earnings of the Company.

9 Current Financial Liabilities

Particulars	As at March 31,2018	As at March 31,2017
Trade Payables	0.11	0.14
TOTAL	0.11	0.14

10 Other Current Liabilities

Rs in lakh

Particulars	As at March 31,2018	As at March 31,2017
Statutory Dues Payable	0.01	0.01
Advance from Customers	0.11	-
TOTAL	**0.12**	**0.01**

Rs in lakh

Description	For the year ending 31st March 2018	For the year ending 31st March 2017
11 Income - Revenue from Operations		
Gross Receipt		
Consultancy Fees	-	0.90
Total	-	**0.90**

Rs in lakh

Description	For the year ending 31st March 2018	For the year ending 31st March 2017
12 Expenses - Other Expenses		
Auditor's Remuneration		
As Audit Fees	0.05	0.05
Director Sitting Fees	-	0.20
Bank Charges	-	-
Filing Fees	-	0.07
Legal and Professional Fees	-	0.16
Preliminary Expenses Written off	0.37	0.37
Grand Total - Other Expenses	**0.42**	**0.85**

MBL (HALDIA) TOLL ROAD COMPANY LIMITED
Notes on Financial Statements for the year ended 31st March, 2018

13 **RELATED PARTY DISCLOSURES:**

In accordance with the requirements of IND AS 24 on related parties disclosures , name of the related party, related party relationship, transaction and outstanding balances including commitments where control exists and with whom transaction have taken place during the reporting period are:

A. **Related party disclosures**

Relationship	Name of the related party
Holding company	MBL Infrastructures Limited
Key Management Personnel	a) Uma Devi Lakhotia (Director) b) Prakash (Director)
Enterprises owned or significantly influenced by key management personnel or their relatives	a) MBL (MP) Toll Road Company Limited

B. **Transactions carried out with the related party referred in "A" above, in the ordinary course of business**

A. **Transactions**

Rupees In Lakhs

Particulars	Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Consultancy fee received				
MBL (MP) Toll Road Company Limited	-	-	-	0.90

B. **Outstanding Balance**

Rupees In Lakhs

Particulars	Holding Company		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Other Liabilities				
MBL (MP) Toll road Co. Ltd.	-	-	-	0.09
Advance given				
MBL Infrastructures Limited	4.89	-		-
MBL (MP) Toll Road Company Limited	-	-	0.86	-

14 **CAPITAL MANAGEMENT**

(a) Risk Management

The primary objective of the Company's Capital Management is to maximize the shareholder value and also maintain an optimal capital structure to reduce cost of capital. In order to manage the capital structure, the Company may adjust the amount of dividend paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debts.

At present the Company has not taken any debt from any lender, Accordingly gearing ratio has not been provided

15 **Fair Value Measurement Hierarchy**

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At present the Company has only cash and cash equivalent . The fair value of which is equal to its carrying amount.

16 **Risk Management**

Market risk, credit risk and liquidity risk are as follows

I. **Market risk**

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 prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. The Company at present does not have the above mentioned financial instruments and therefore not expected to such risks.

(ii) Sensitivity

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

II. **Credit risk**

The company has no debt outstanding from its customer and as such there is no exposure to the credit risk.

III. **Liquidity Risk**

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

MBL (HALDIA) TOLL ROAD COMPANY LIMITED
Notes to Financial Statements for the Year ended 31st March, 2018

17 The company's operation predominantly consist of infrastructure development, construction and operation and this is its operating business segment and all other activities revolve around the main activity. Accordingly, there being no other reportable segment separate disclosures as per Ind AS 108 "Operating Segments" have not been made.

18 **Tax Expense**

(a) The major components of income tax expense for the year are as under:

(Amount in Lakh)

	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
(i)	Income tax recognised in the Statement of Profit and Loss		
	Current Tax	-	0.02
	Deferred Tax	-	-
	Total Income tax expenses recognised in statement of profit and loss	-	**0.02**
(ii)	Income tax expense recognised in OCI	-	-
	Deferred tax expense on remeasurement of defined benefit plans	-	-
	Income tax expense recognised in OCI	-	-

(b) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income rate to recognised income tax expense for the year indicated are as below:

(Amount in Lakh)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Accounting Profit/(Loss) before tax	(0.42)	0.05
Statutory income tax rate	33.90%	33.90%
Tax at statutory income tax rate		0.02
Temporary differences	-	-
Others	-	-
Total	-	0.02

19 **Earnings per Share**

Basic and diluted earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

(Rs in lakh)

Particulars	31st March, 2018	31st March, 2017
Profit/(loss) attributable to equity shareholders	(0.42)	0.03
Weighted average number of equity shares	0.73	0.73
Basic & diluted earnings per equity share (In ₹)*	(0.58)	0.04

20 The financial statements have been approved by the board of Directors of the Company on May 30th, 2018 for issue to the shareholders for their adoption.

As per our report on even date
For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d
(Debasish Ghosh)
Partner
Membership No. 052653

Place: New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d
Uma Devi Lakhotia
Director
DIN-00357752

s/d
Prakash
Director
DIN-07305062

MBL (UDAIPUR BYPASS) ROAD LIMITED
AUDITED ANNUAL ACCOUNTS
FOR FY 2017-18

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MBL (UDAIPUR BYPASS) ROAD LIMITED

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of **MBL (UDAIPUR BYPASS) ROAD LIMITED('the Company')**, which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement for the year then ended and the Statement of Changes inEquity and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind ASfinancial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 ASfinancial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

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

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

OPINION

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid Ind ASfinancial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure 'B'**.

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

   i. The Company does not have any pending litigations which would impact its financial position;

   ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d

Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to statutory audit of M/s MBL (UDAIPUR BYPASS) ROAD LIMITEDfor the year ended 31 March 2018, we report that:

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

(b) The fixed assets have been physically verified wherever practicable on a phased manner by the management/ internal auditors and the reconciliation of the quantities with the book records has been done on continuous basis. As informed no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. Onthe basis of information and explanations provided to us, the company did not own inventory at any-time during the year under audit, hence, clause (ii) of the order is not applicable to the company

iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.

iv. 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 Act, with respect to the loans and investments made.

v. In our opinion and according to the information and explanations given to us, the Company did not receive any deposits covered under sections 73 to 76 of the Companies Act and the rules framed there under with regard to deposits accepted from the public during the year.

vi. The Central Government has prescribed maintenance of cost records under section 148 (1) of the Companies Act. We have broadly reviewed accounts and records and are of the opinion that prima facie, the prescribed accounts & records have been made & maintained but no detailed examination of such records and accounts have been carried out by us.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amount payble in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March, 2018for a period of more than six months from the date they became payble.

viii. According to the information and explanations given to us by the management, the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.

ix. Based on information and explanations given to us and records of the Company examined by us, in our opinion, the term loans have been applied for the purpose for which they were obtained.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhicompany. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d

Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act of M/s MBL (UDAIPUR BYPASS) ROAD LIMITED for the year ended 31 March 2018, we report that:

We have audited the internal financial controls over financial reporting of M/s MBL (UDAIPUR BYPASS) ROAD LIMITED ("the Company") as of 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For D Ghosh & Associates
Chartered Accountants
Firm's Registration No. 326859E

s/d
Debasish Ghosh
Partner
Membership No. 052653

Place: New Delhi
Date:30th day of May, 2018

MBL (UDAIPUR BYPASS) ROAD LIMITED

Statement of changes in equity for the year ended 31st March 2018

A Equity Share Capital

Particulars	Rupees in Lakhs
Balance as on March 31, 2017	5.00
Shares issued during the period	-
Balance as on March 31, 2018	5.00

B Other equity

Rupees in Lakhs

Particulars	Reserve and Surplus		Total
	General Reserve	Retained Earnings	
Balance as on March 31, 2017	-	**(6.08)**	**(6.08)**
Profit for the year	-	(0.05)	(0.05)
Balance as on March 31, 2018	-	**(6.13)**	**(6.13)**

Retained earning generally represent the undistributed profits/amount of accumalated earning of the Company
Significant accounting policies and other accompanying notes (1 to 14) form an integral part of the financial statements
As per our report on even date

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

Place: New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d

Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d

Sunita Palta
Director
DIN-03612793

MBL (UDAIPUR BYPASS) ROAD LIMITED
Balance Sheet as at 31st March ,2018

Rupees in Lakh

Particulars	Note No	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
(1) Non current assets			
(a) Other non current assets	4	-	-
(2) Current assets			
(b) Financial assets			
(i) Cash and cash equivalents	5	5.00	5.00
TOTAL ASSETS		**5.00**	**5.00**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	6	5.00	5.00
(b) Other equity		(6.13)	(6.08)
LIABILITIES			
(2) Current liabilites			
(a) Financial liabilites			
(i) Other financial liability	7	6.13	6.08
TOTAL EQUITY & LIABILITY		**5.00**	**5.00**

Significant accounting policies and other accompanying notes (1 to 14) form an integral part of the financial statements

As per our report on even date

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

Place: New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d

Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d

Sunita Palta
Director
DIN-03612793

MBL (UDAIPUR BYPASS) ROAD LIMITED Statement of Profit and Loss for the period ended 31st March, 2018			Rupees in Lakh
Particulars	**Note No**	**Year ended 31st March 2018**	**Year ended 31st March 2017**
EXPENSES Other expenses	8	0.05	6.08
(B) TOTAL EXPENSES		**0.05**	**6.08**
(C) Profit/(Loss) before tax (A-B)		**(0.05)**	**(6.08)**
Tax Expense: (1) Current Tax (2) Deferred Tax		- -	- -
Total Profit/(Loss) for the period (D)		**(0.05)**	**(6.08)**
OTHER COMPREHENSIVE INCOME		-	-
Remeasurements of the Net Defined Benefit Plans: Remeasurements of the net defined benefit plans - Remeasurement of employee benefit obligations Remeasurements of the net defined benefit plans - Income tax effect		- -	- -
Total Other Comprehensive Income (D)		-	-
Total INCOME (C+D)		**(0.05)**	**(6.08)**
Earning per equity share(Face Value Rs. 10/- each) Basic Diluted	14	(0.10)	(12.16)

Significant accounting policies and other accompanying notes (1 to 14) form an integral part of the financial statements

As per our report on even date

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

Place: New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d

Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d

Sunita Palta
Director
DIN-03612793

MBL (UDAIPUR BYPASS) ROAD LIMITED
Cash Flow Statement for the year ended 31st March, 2018

Rupees in Lakh

		For the year ended 31.03.2018		For the year ended 31.03.2017	
A.	**Cash flow from operating activities:**				
	Net profit before tax		(0.05)		(6.08)
	Operating profit before working capital changes:	-		-	
	Increase / (Decrease) in other current liabilities	0.05		6.08	
	(Increase) / Decrease in short term loans & advances	-	**0.05**	-	**6.08**
			-		-
	Less : Direct taxes paid		-		-
	Net cash generated from / (used in) operating activities		-		-
B.	**Cash flow from investing activities:**				
	Intangible asset under development	-		-	
	Net cash generated from / (used in) investing activities		-		-
C.	**Cash flow from financing activities:**				
	Proceeds from issue of equity share capital	-		5.00	
	Net cash generated from / (used in) financing activities		-		**5.00**
	Net Increase / (Decrease) in cash and cash equivalents (A+B)		-		**5.00**
	Opening balance of cash & cash equivalent		5.00		-
	Closing balance of cash & cash equivalent (Refer Note 5)		**5.00**		**5.00**

The accompaying notes are an integral part of these financial statement

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

New Delhi
Dated : May 30th, 2018

For and on behalf of

s/d

Anjanee Kumar Lakhotia
Director
DIN-00357695

s/d

Sunita Palta
Director
DIN-03612793

MBL (UDAIPUR BYPASS) ROAD LIMITED
Notes on Financial Statements for the year ended 31st March, 2018

1. Corporate Information:

MBL (Udaipur Bypass) Road Limited (or 'the Company') is a company incorporated and domiciled in India and is incorporated under the provisions of companies Act applicable in India and a registered office at Baani Corporate One Tower, Suite No. 303 3rd Floor, Plot No. 5, Dist. Commercial Centre, Jasola New Delhi 110025

Description of Business:
Road on DBOT (Design,Build,Operate and Transfer) Hybrid Annuity mode basis:
A 'Concession Agreement' entered into between MBL (Udaipur Bypass) Road Limited (termed as "concessionaire") and National Highways Authority of India on 27.05.2016, conferred the rights of concession of Six-Laning of Greenfield Udaipur bypass [Connection between NH-76 at existing km 118+500 at Debari to NH-8 Km 287+400 at Kaya village (Length 23.883)] to be executed on design, build, operate and transfer DBOT (Hybrid Annuity) basis, Package-IV under NHDP phase V in the State of Rajasthan, to implement the project and the 60% of Bid Project Cost, adjusted for the Price Index Multiple, which shall be due and payable in 30 (thirty) structured biannual instalments commencing from the 180th (one hundred and eightieth) day of COD and every six months thereafter. The said project has been terminated by NHAI vide order No. NHAI/NHDP-V/2015/K-U-A/CU-Pkg.-IV/897 dated 09th January, 2017.

2. Statement of Compliance and Recent Pronouncements

2.1 Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2016 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.
The financial statements have been prepared on accrual basis in accordance with the Generally Accepted Accounting and the Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, then applicable (Previous GAAP) to the company.Previous period figures in the Financial Statements have now been recasted/restated in compliance to Ind AS.

2.2 Recent Pronouncements

Ind AS 115
In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:
• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"

3 Siginificant Accounting Policies :

3.1 Basis of Preparation of Financial Statements

The Financial Statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/ amortized costs at the end of each reporting period.
Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.
As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IND AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.
The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest Lakh, unless otherwise indicated.
Fair Value Measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.
The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:
(a) Level 1: Inputs are at Quoted prices (unadjusted) in active markets for identical assets or liabilities.
(b) Level 2:Inputs other than quoted prices included within level 1 that are observable, either directly or indirectly, for the asset or liability.
(c) Level 3:Inputs for the asset or liability which is not based on observable market data (unobservable input).

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

3.2 Property, Plant and Equipments

Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

3.3 Intangible Asset

The company initially recognises the intangible asset at Cost and subsequently meaure the intangible asset at its cost less accumulated amortisation and any impairment losses by following the Cost model as per Ind AS 38 "Intangible Assets" . During the construction phase of the arrangement the company asset is classified as a right to receive a licence to charge users of the infrastructure. The company estimates the fair value of its consideration received or receivable as equal to the forecast construction costs .

In accordance with Ind AS 38, Intangible assets with finite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Other intangible assets are amortised on straight line basis over the period in which it is expected to be available for use by the company.

3.4 Derecognition of Tangible and Intangible assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.5 Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

3.6 Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities (financial instruments) 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 The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within the operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, Fair Value through Profit and Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

(i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial Liabilities measured at amortised cost

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

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii)Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vi) Impairment of financial assets

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vii) Derecognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

3.7 Provisions, Contingent liabilities and Contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized 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.

Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Critical Accounting Judgments and Key Sources of Estimation Uncertainty:

The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of Intangible assets, allowance for doubtful debts/advances, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

MBL (UDAIPUR BYPASS) ROAD LIMITED
Notes to the Financial Statements for the period ended 31st March, 2018

Rupees in Lakh

		As at 31.03.2018	As at 31.03.2017
4	**Non Current Assets**		
	Preliminary expenses	-	6.03
	Less: Preliminary expenses written off	-	6.03
	Total - Non Current Asset	-	-
5	**Current Assets - Cash and Cash Equivalents**		
	Cheque in Hand		-
	Current account balances with scheduled banks		-
	Cash	5.00	5.00
	Cash-in-hand	**5.00**	**5.00**
	Fixed deposits of maturity less than 3 months with banks	-	-
	Fixed deposits of maturity more than 3 months but less than 12 months with banks	-	-
	Total - Cash and cash equivalents	**5.00**	**5.00**
6	**Equity Share Capital**		
	Authorised		
	50,00,000 equity shares of ` 10/- each	500.00	500.00
	Issued, Subscribed & Fully paid up share		
	50,000 (50,000) equity shares of ` 10/- each fully paid up	5.00	5.00
	Total Equity Share Capital	**5.00**	**5.00**

6.1 The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share.

6.2 In the event of Liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding .

6.3 Share in the company held by each shareholder holding more than 5% shares

Name of Shareholders	As at 31.03.2018		As at 31.03.2017	
	No. of Shares	Percentage	No. of Shares	Percentage
MBL Projects Limited	49950	99.90%	49950	99.90%

		As at 31.03.2018	As at 31.03.2017
7	**Current Liabilities - Financial Liabilities - Others**		
	Other Liabilities		
	D Ghosh & Associates	0.10	0.05
	MBL Infrastructures Limited	5.84	5.84
	N S & Associates	0.19	0.19
	Total	**6.13**	**6.08**
8	**Other Expenses**		
	Audit Fees	0.05	0.05
	Preliminary expenses written off		6.03
	Total- Other Expenses	**0.05**	**6.08**

MBL (UDAIPUR BYPASS) ROAD LIMITED

Notes on Financial Statements for the year ended 31st March, 2018

9 **FINANCIAL RISK MANAGEMENT**

The company at present has not started any operations and accordingly it doesnot foresee any market risk , credit risk or liquidity risk.

10 **Fair Value Measurement Hierarchy**

The carrying value and the fair value of financial instruments by categories were as follows:

Rupees in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Financial Asset *		
Measured at amortised cost		
Cash and Cash Equivalent	5.00	5.00
Total Financial Assets	**5.00**	**5.00**
Financial Liabilities*		
Other financial liability	6.13	6.08
Total Financial Liabilities	**6.13**	**6.08**

* Both the financial assetand financial liabilties are measured using Level 2 value inputs

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At present the Company has only cash and cash equivalent . The fair value of which is equal to its carrying amount.

11 **Disclosure of related parties / related party transactions:**

In accordance with the requirements of IND AS 24 on Related parties disclosures , name of the related party, related party relationship, transaction and outstanding balances including commitments where control exists and with whom transaction have taken place during the reporting period are:

A.

	Relationship	Name of the related party
(i)	Holding Company	MBL Projects Limited
(ii)	Key Management Personnel	a) Anjanee Kumar Lakhotia (Director) b) Sunita Palta (Director)
(iii)	Enterprises owned or significantly influenced by key management personnel or their relatives	MBL Infrastructures Limited

B. Transactions carried out with related parties referred in "A" above, in ordinary course of business *Rupees in Lakhs*

Nature of Transactions	Holding Company		Enterprises owned or significantly influenced by Key Management Personnel or their relatives	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Share application money received				
MBL Projects Limited	-	5.00	-	
MBL Infrastructures Limited			-	0.01
Advance Received				
MBL Infrastructures Limited			5.84	5.84

MBL (UDAIPUR BYPASS) ROAD LIMITED

Notes on Financial Statements for the year ended 31st March, 2018

C. Balance outstanding as on 31st March, 2018

Nature of Transactions	Holding Company		Enterprises owned or significantly influenced by Key Management Personnel or their relatives	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Other Current Liabilities				
MBL Infrastructures Limited		-	5.84	5.84

12 The company's operation predominantly consist of infrastructure development, construction and operation and this is its operating business segment and all other activities revolve around the main activity. Accordingly, there being no other reportable segment separate disclosures as per Ind AS 108 "Operating Segments" have not been made.

13 Basic and diluted earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

(₹ In Lakh except otherwise stated)

Particulars	31st March, 2018	31st March, 2017
Profit/(loss) attributable to equity shareholders	(0.05)	(6.08)
Weighted average number of equity shares	0.50	0.50
Basic & diluted earnings per equity share (In ₹)*	(0.10)	(12.16)

14 The financial statements have been approved by the board of Directors of the Company on May 30th, 2018 for issue to the shareholders for their adoption.

For D Ghosh & Associates
Chartered Accountants
Firm Registration No.326859E

s/d

(Debasish Ghosh)
Partner
Membership No. 052653

Place: New Delhi
Dated : May 30th, 2018

For and on behalf of the Board

s/d

Abhanee Kumar Lakhotia
Director
DIN-00357695

s/d

Sunita Palta
Director
DIN-03612793