

INDIA'S UNIQUE PURE PLAY
ROAD
CONCESSION COMPANY

BOARD OF DIRECTORS

Mr. Brahm Dutt	Chairman
Mr. Pradeep Singh	
Mr. Atanu Sen	
Dr. (Ms.) Tuk Tuk Ghosh Kumar	
Mr. Bajrang Kumar Choudhary	Managing Director

BOARD COMMITTEES

Audit Committee

Mr. Brahm Dutt	Chairman
Mr. Pradeep Singh	Member
Mr. Atanu Sen	Member
Mr. Bajrang Kumar Choudhary	Member
Mr. Naresh Mathur	Secretary

Nomination and Remuneration Committee

Mr. Pradeep Singh	Chairman
Mr. Brahm Dutt	Member
Dr. (Ms.) Tuk Tuk Ghosh Kumar	Member
Mr. Naresh Mathur	Secretary

Stakeholders Relationship Committee

Mr. Atanu Sen	Chairman
Mr. Pradeep Singh	Member
Dr. (Ms.) Tuk Tuk Ghosh Kumar	Member
Mr. Bajrang Kumar Choudhary	Member
Mr. Naresh Mathur	Secretary

Corporate Social Responsibility Committee

Dr. (Ms.) Tuk Tuk Ghosh Kumar	Chairperson
Mr. Atanu Sen	Member
Mr. Bajrang Kumar Choudhary	Member
Mr. Naresh Mathur	Secretary

Committee of Directors

Mr. Brahm Dutt	Chairman
Mr. Atanu Sen	Member
Mr. Bajrang Kumar Choudhary	Member
Mr. Naresh Mathur	Secretary

Chief Financial Officer

Mr. Sanjay Banka

Company Secretary

Mr. Naresh Mathur

CORPORATE INFORMATION

Corporate Identification Number (CIN)

L45203WB2006PLC112235

Registered Office

5B, North-East Block, Vishwakarma Building,
86C, Topsia Road (South), Kolkata - 700046
Tel. No.: +91 33 6602 3609; Fax No.: +91 33 6602 3243
E-mail ID: corporate@brnl.in; Website: www.brnl.in

Stock Exchanges/Listing

BSE Limited (Scrip Code - 540700)
National Stock Exchange of India Limited (Symbol - BRNL)

Depositories

National Securities Depository Limited
Central Depository Services (India) Limited

Registrar and Share Transfer Agents

Karvy Computershare Private Limited (Karvy)
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad - 500 032
Tel. No.: +91 40 6716 2222; Fax No.: +91 40 2342 0814
E-mail ID: einward.ris@karvy.com

Statutory Auditors

S.S. Kothari Mehta & Co, Chartered Accountants

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Forward looking statements

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by

using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions.

The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should

known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should kindly bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

BRNL: INDIA'S UNIQUE PURE PLAY ROAD CONCESSION COMPANY

Who we are >>

We are a professionally managed listed company and the only pure-play standalone proxy of India's road concessions sector

What we have created >>

A growth platform focusing on the aggregation and development of outstanding road concessions across India

Where we intend to go >>

We intend to reinforce our position as India's premier road concessions company through the sustainable generation of the healthy return on invested capital across our investment bouquet.

A majority of road concession companies are also engaged in road construction.

At Bharat Road Network Limited (BRNL), we focus exclusively on road concession ownership.

In the process, we have created a unique 'pure play' road concession platform.

We focus on conducting our business based on the Public-Private Partnership (PPP) model, which is expected to enhance progress, prosperity and profitability of our business.

And that, we believe, will make all the difference.

5 THINGS YOU NEED TO KNOW ABOUT OUR COMPANY



WHAT WE DO

Bharat Road Network Limited (BRNL) was incorporated in 2006 as a developer and operator for highways, roads and related projects. Over the years, the company emerged as a Build-Operate-Transfer (BOT) company with a focus on road development, implementation, operation and maintenance through the Public Private Partnership model.

OUR APPROACH

Our approach towards the concession business revolves around the principles of value-based growth through selective bidding and acquisition, value optimization through operational excellence and innovation; and cost efficiency through prudent financial discipline.

We aim to increase cash flows and profitability as well as increase the shareholder value through asset sweating and smart timing of asset accretion. Our aim is to create value for society, for clients, investors and employees.

OUR PROJECT PORTFOLIO

Our project portfolio consists of six BOT projects covering almost 2095 lane km out of which five projects are operational covering approximately 1695 lane km and one project is under construction, which involves the development of approximately 400 lane km.

One of our projects is a State Highway project and five projects are under the National Highway Authority of India (NHAI). Our projects are spread across Uttar Pradesh, Kerala, Haryana, Madhya Pradesh, Maharashtra and Odisha.

OUR ETHICAL PEDIGREE

BRNL is a Srei initiative and was started in 2006. Srei Infrastructure Finance Limited (Srei) is well known for supporting various infrastructure projects across India. Srei is one of the nation's largest holistic infrastructure institutions, constantly and consistently delivering innovative solutions in the infrastructure sector.

Srei has been playing a significant role in nation-building for nearly three decades, in urban and rural India. Srei's businesses include Infrastructure Project Finance, Advisory and Development, Infrastructure Equipment Finance, Alternative Investment Funds, Capital Markets and Insurance Broking.

The objective of supporting roads and highway development led to the formation of Bharat Road Network Limited.

Our vision

To be a wide-spectrum Transportation Infrastructure Company smoothening everyone's journey.

Our mission

Through practice of best technical and technological solutions, developing roads and bridges that will usher progress and prosperity for the nation through better connectivity and seamless mobility.

Our core values

► **Prosperity through Partnership:** BRNL will grow through collective partnership of all its stakeholders. The ability to bring together in-house knowledge, strength of financial engineering & solutions and trustworthy partners is our guiding principle for providing fast, reliable, convenient, quality driven and cost-effective transport infrastructure solutions.

► **Passion for Excellence:** Passion is one of the DNAs of the organization, coupled with innovation and entrepreneurship that we inherited as our founding values. The passion of employees has led to the success of the organization in a fiercely competitive market scenario. Passion for excellence provides BRNL with an undeniable drive to make a difference.

► **Professional Entrepreneurship:** BRNL's in-depth knowledge of the transport infrastructure development in India, coupled with its spirit of entrepreneurship, helps the Company overcome obstacles and complexities with professional expertise.

OUR VALUE PROPOSITION

Asset ownership

- Design, Engineering and Cost Management
- Engineering, Procurement, and Construction (EPC) Management and Quality Control focus
- Asset health management and sweating
- Management insights and guidance for value accretion
- Governance structure for a strong alignment between investment managers and asset owners

Operational excellence

- Manage tolling operation & maintenance of the project
- Achieve cost efficiency and optimization
- Ensuring project completion timeline and improve operational efficiency

Project advisory

- Project Management Consultancy (across areas such as project conceptualization, construction, commissioning, and commencement)
- Financial advisory and debt syndication services
- Balance Sheet Management, which includes Cash Flow Management and Financial Planning

Technological excellence

- Innovative technology solutions for road sector (first to roll-out pre-classification system)
- Develop customised solution depending on project requirement
- Strategic technology collaboration ensuring accurate and efficient toll collection

OUR PROJECTS PORTFOLIO

GURUVAYOOR INFRASTRUCTURE PRIVATE LIMITED (GIPL)



FOUR-LANING OF THE EXISTING TWO LANE PORTION OF THE THRISSUR-ANGAMALI SECTION OF NH-544 (OLD 47).

State	Kerala
Major cities covered	Thrissur, Chalakudi, and Angamali
Client	NHAI
Status	Operational
BRNL stake	100%*
Total length	64.94 km
Lane kms	259.76 km
Number of lanes	4
Total concession period	21.75 years
Tolling start date	4th December 2011
Balance life [#]	10.23 years
Balance debt tenure [#]	7.01 years
Total project cost [#]	₹721 crores
Annual toll collection [#]	₹134 crores

*Transfer of Balance 26.01% under process

KURUKSHETRA EXPRESSWAY PRIVATE LIMITED (KEPL)



FOUR-LANING OF THE ROHTAK-BAWAL SECTION OF NH-71 ON DBFOT TOLL BASIS.

State	Haryana
Major cities covered	Rohtak, Jhajjar, Rewari, & Bawal
Client	NHAI
Status	Operational
BRNL stake	49%
Total length	83.155 km
Lane kms	332.62 km
Number of lanes	4
Total concession period	28 years
Tolling start date	24th August 2013
Balance life [#]	21.11 years
Balance debt tenure [#]	7.76 years
Total project cost [#]	₹1038 crores
Annual toll collection [#]	₹94 crores

SHREE JAGANNATH EXPRESSWAYS PRIVATE LIMITED (SJEPL)



SIX LANING OF CHANDIKHOLE-JAGATPUR-BHUBANESWAR SECTION OF NH-16 (OLD 5) ON DBFOT TOLL BASIS.

State	Odisha
Major cities covered	Bhubaneswar, Cuttack
Client	NHAI
Status	Operational
BRNL stake	40%
Total length	67 km
Lane kms	402 km
Number of lanes	6
Total concession period	26 years
Tolling start date	14th December 2011
Balance life [#]	19.71 years
Balance debt tenure [#]	15.76 years
Total project cost [#]	₹1871 crores
Annual toll collection [#]	₹150 crores

As on 31st March, 2018

GHAZIABAD ALIGARH EXPRESSWAY PRIVATE LIMITED (GAEPL)



FOUR-LANING OF THE GHAZIABAD-ALIGARH SECTION OF NH-91 ON BOT TOLL BASIS.

State	Uttar Pradesh
Major cities covered	Ghaziabad, Bulandsahar and Aligarh
Client	NHAI
Status	Operational
BRNL stake	39%
Total length	126.3
Lane kms	505.2 km
Number of lanes	4
Total concession period	24 years
Tolling start date	23rd June 2015
Balance life*	16.90 years
Balance debt tenure*	4.92 years
Total project cost*	₹1929 crores
Annual toll collection*	₹193 crores

MAHAKALESHWAR TOLLWAYS PRIVATE LIMITED (MTPL)



FOUR-LANING OF THE INDORE-UJJAIN ON STATE HIGHWAY 27 ON BOT TOLL BASIS IN THE STATE OF MADHYA PRADESH.

State	Madhya Pradesh
Major cities covered	Ujjain, Indore, Pitampur
Client	MPRDC
Status	Operational
BRNL stake	48%
Total length	48.894 km
Lane kms	195.56 km
Number of lanes	4
Total concession period	25 years
Tolling start date	19th November 2010
Balance life*	16.15 years
Balance debt tenure*	12.26 years
Total project cost*	₹330 crores
Annual toll collection*	₹26 crores

SOLAPUR TOLLWAYS PRIVATE LIMITED (STPL)



FOUR-LANING THE SOLAPUR-MAHARASHTRA/KARNATAKA BORDER SECTION OF NH-9 (OLD 65) ON DBFOT TOLL BASIS.

State	Maharashtra
Major cities covered	Solapur, Osmanabad
Client	NHAI
Status	Under Construction
BRNL stake	99.02%
Total length	100.06 km
Lane kms	400.24 km
Number of lanes	4
Total concession period	25 years
Total project cost*	₹883 crores

* As per financing agreement

As on 31st March, 2018

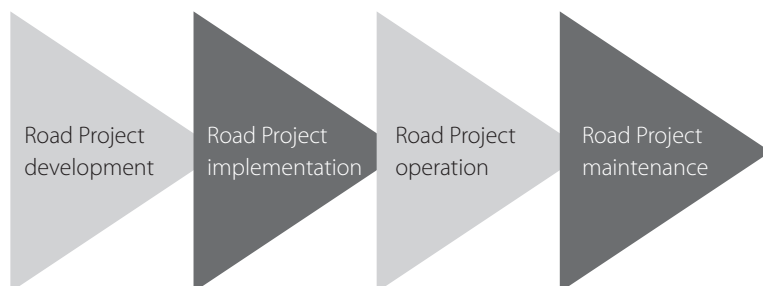
INDIA IS ARGUABLY THE MOST ATTRACTIVE ROAD BUILDING DESTINATION IN THE WORLD.



Brahm Dutt, *Chairman*

WHAT MAKES THE SECTOR ATTRACTIVE IS THE LARGEST PIPELINE OF ROAD BUILDING PROJECTS ANNOUNCED BY THE GOVERNMENT, A SECTORAL SHAKEOUT IN THE LAST FEW YEARS THAT HAS MODERATED AGGRESSIVE BIDDING FOR CONTRACTS, AN IMPROVEMENT IN OVERALL MARGINS FACILITATING REINVESTMENT IN CAPABILITIES AS WELL AS THE GOVERNMENT'S FOCUS IN REMOVING PROJECT IMPLEMENTATION OBSTACLES.

OUR FOCUS



The biggest catalyst in the transformation of the country's road building sector has been the role of the Indian government. Between 2014-15 and 2018-19, the overall budgetary allocation to the highways sector increased from ₹32,000 crores to ₹71,000 crores. The highlight of this sectoral development has been the announcement of the ₹692,000 crores Bharatmala project which is the largest infrastructure project happening in the country, scheduled for completion in 2022. This has opened up a plethora of opportunities for the road concession companies possessing relatively under-borrowed balance sheets, a knowledgeable employee pool and access to cutting-edge technologies.

At Bharat Road Network Limited, we expect to leverage on the encouraging performance of the company and capitalize on this unprecedented growth opportunity in ways possible.

Last year has been momentous for our company as we reached out to the public market in September to support infrastructure creation under the Public Private Partnership (PPP) model. We are immensely thankful to the investors who reposed their faith in our business model as asset aggregators in BOT platform which has been quite different from the conventional infrastructure development companies.

Following the successful listing of equity shares in the stock exchanges, BRNL continued its focus on improving operational efficiency through enhancing services automation and adopting a prudent project delivery mechanism to expedite execution of the existing under construction asset.

These steps resulted in a healthy growth of the Average Daily Revenue (ADR) across all the operational projects which increased by 22% to ₹163 lakhs in Financial Year 2017-18 from ₹133 lakhs in Financial Year 2016-17. The toll revenue is expected to improve further and stabilize with

increased economic activities across the high growth industrial corridors along the project stretch. Furthermore, in the coming year, we are expecting a further spurt in the toll revenues as our Solapur project is nearing completion. This would essentially mean that all our existing assets would be generating cash flows.

Riding high on the demonstrative capabilities across our areas of operations, we are now aiming for the next wave of growth by adopting more focused business growth strategy.

One, the company will seek to buy out assets from financially-stressed companies engaged in building roads across attractive circuits of the country. The Company possesses a strong Balance Sheet as well as a listed status which should enhance its visibility and help in accessing not just the required funding to address these opportunities but also at a cost that would strengthen business viability.

Two, we intend to enrich our knowledge and experience pool through constant strengthening of competencies related to road concessions, tolling and related support functions. We intend to develop and monetize on our project management capability dedicated services to a number of road builders for their projects under implementation. Besides, we are committed to liaise deeper on behalf of our SPVs with NHAI, generating enhanced effectiveness out of the centralized Group activity.

At BRNL, our vision is to constantly strengthen the quality of our portfolio through expansion, consolidation and value accretion.

With relentless focus on expanding our presence across the transportation infrastructure sector in the foreseeable future, we expect to retain our position as India's premier pure-play road concession company.

Brahm Dutt
Chairman

LAST YEAR HAS BEEN MOMENTOUS FOR OUR COMPANY AS WE REACHED OUT TO THE PUBLIC MARKET IN SEPTEMBER TO SUPPORT INFRASTRUCTURE CREATION UNDER THE PUBLIC PRIVATE PARTNERSHIP (PPP) MODEL.

**"WE EXPECT TO GENERATE
HEALTHY TOLL REVENUES
FROM INCREASED TRAFFIC
ACROSS OUR ROAD
CONCESSIONS TRANSLATING
INTO HANDSOME
STAKEHOLDER RETURNS"**



Bajrang Kumar Choudhary, Managing Director

THIS IS THE FIRST ANNUAL REPORT OF BHARAT ROAD
NETWORK LIMITED FOLLOWING THE COMPANY'S INITIAL
PUBLIC OFFER OF EQUITY SHARES IN SEPTEMBER 2017



The IPO of our company attracted an attractive public response. The issue was over-subscribed 1.8 times and the company was valued at around ₹1721 crores at that juncture, validating the company's prospects and credentials.

The company reported a 284 per cent growth in revenues to ₹64.17 crores during the year under review corresponded by a 1214 per cent growth in profit after tax to ₹28.91 cr. The company reported an EBITDA margin of 77 per cent and a cash profit of ₹28.95 crores in 2017-18. Toll collection revenues from all our operating SPVs increased by 31% from ₹457.17 crores in 2016-17 to ₹597.95 crores in 2017-18, which was higher than estimates. The company strengthened its performance through the timely re-pricing of debt that will help us save interest outflow by an estimated ₹70-80 crores in a full year's working.

We believe that 2017-18 was the first of a number of years of sustainable growth for the company, which we expect will translate into enhanced value for our stakeholders.

Unprecedented road sector opportunities

Our optimism related to sustainable growth is derived from a unique convergence of realities and opportunities.

One, India is passing through an unprecedented growth in road building across national and state highways cascading down to village connectivity. As a company focused on profitable concession ownership, we see this as an inflection opportunity in broadening the choice of tolled roads available to us, which we believe should translate into portfolio outperformance.

Two, even as the quantum of roads being built is unprecedented, there is a considerable backlog of tolled road projects struggling towards completion on account of stretched Balance Sheets. A number of these companies will need to deleverage or exit the business. We believe that this reality offers a focused company like ours with the opportunity to buy attractive road portfolios around a compelling price-value proposition.

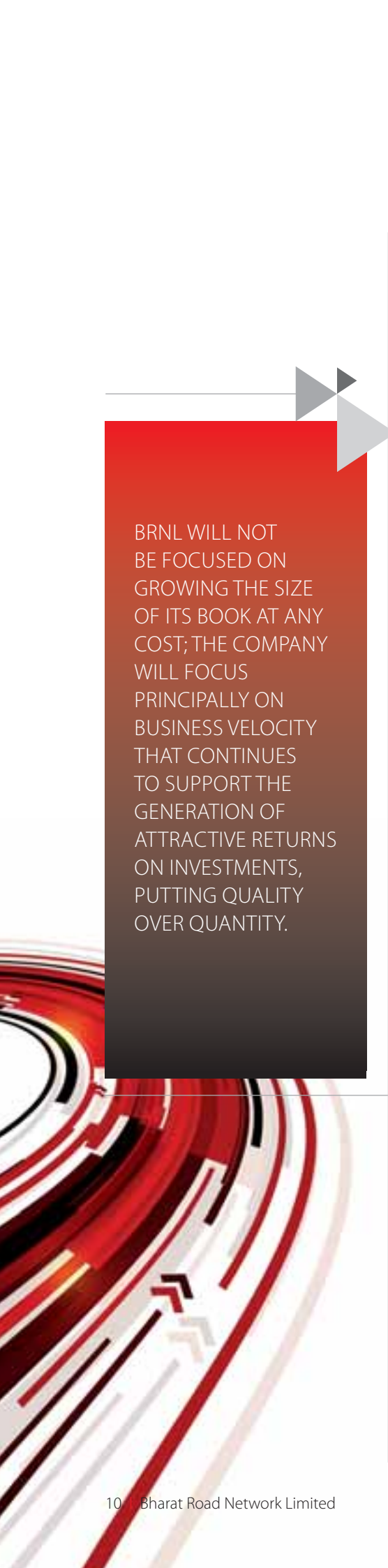
Three, there is a growing recognition within India's roads sector that road construction and road ownership warrant different competencies. We believe that there has been a growing respect for road concession ownership, translating into a deeper investor appreciation for companies like ours and a corresponding increase in the willingness of investors to finance projects.

Four, bidding for road concessions in India has returned to reasonable and profitable levels following a phase of aggressive bidding when concession valuations became unviable. At these valuations, we believe that there is a robust case to report attractive sustainable returns to investors.

At Bharat Road Network, we believe that the convergence of these realities provides a unique opportunity to buy into road concessions with excellent long-term attractiveness ahead of their respective growth curves around reasonable valuations.

However, even as the opportunities and prospects appear compelling, the sector warrants a deep understanding of road asset potential, extensive toll forecasting competence and the ability to mobilise the right mix of funds (net worth and debt) to invest for the long-term.

BIDDING FOR ROAD CONCESSIONS IN INDIA HAS RETURNED TO REASONABLE AND PROFITABLE LEVELS FOLLOWING A PHASE OF AGGRESSIVE BIDDING WHEN CONCESSION VALUATIONS BECAME UNVIALE. AT THESE VALUATIONS, WE BELIEVE THAT THERE IS A ROBUST CASE TO REPORT ATTRACTIVE SUSTAINABLE RETURNS TO INVESTORS.



BRNL WILL NOT BE FOCUSED ON GROWING THE SIZE OF ITS BOOK AT ANY COST; THE COMPANY WILL FOCUS PRINCIPALLY ON BUSINESS VELOCITY THAT CONTINUES TO SUPPORT THE GENERATION OF ATTRACTIVE RETURNS ON INVESTMENTS, PUTTING QUALITY OVER QUANTITY.

BRNL attractively placed

We believe that this is a specialized road sector opportunity that can be competently and comprehensively addressed only by companies dedicated to this niche.

BRNL is competently placed to capitalize on this sectoral inflection opportunity for some good reasons.

At BRNL, we have drawn extensively from the rich knowledge pool of Srei Infrastructure Limited. Srei has been in business for nearly three decades across the entire breadth of India's infrastructure sector, making it possible to draw on valuable insights related to road traffic growth and corresponding toll collection prospects.

At BRNL, we possess the capability to mobilise long-term capital into road concession projects where we believe that traffic will grow attractively as India's economic size accelerates, translating into handsome long-term returns.

At BRNL, we provide infrastructure investors with the opportunity of investing in a pure-play road concession company, possibly the only such standalone proxy in India's listed sector. We believe that our presence will address the specific needs of focused global investors who wish to invest in India's economic growth through a company whose business model is woven around highway throughput growth.

At BRNL, we are positioning our business around a conscious decision to not engage in direct road construction; we would rather outsource this activity to the best construction companies in the country and focus on enhancing overall project value.

The result is that BRNL will not be focused only on portfolio size at any cost; the company will focus principally on business velocity that continues to support the generation of attractive returns on investments, placing quality over quantity.

Agenda for 2018-19

At BRNL, we see a remarkable future marked by a substantial increase in opportunities on the one and relatively limited competition on the other.

Our objective during the current financial year will comprise the extension of our average loan tenure from 11.5 years to 15 years corresponding by an average asset tenure of 18 years.

The Balance Sheet of the company is strong with moderate gearing – debt of ₹133 crores as against net worth of ₹1169.57 crores – holding out extensive operating room for growing the portfolio.

Sectoral outlook

From an overarching perspective, we are optimistic of the long-term prospects of India's road concession segment. India is the sixth largest global economy and projected to emerge as the third largest by 2030. India took sixty years to emerge as a one trillion-dollar economy and only seven years to replicate this growth, indicating the robustness of the national economic momentum. India's rural sector is emerging as a large consumer of products and services. Automobile ownership per 1000 person in India is much lower than China, indicating a huge potential for a multi-year sectoral growth. India is under-consumed across a range of sectors compared with the global average, which we believe will progressively correct upwards as disposable incomes rise.

Each of these realities will translate into substantially increased traffic throughput between cities and towns in India. The tolled revenues generated from this increased traffic are expected to translate into handsome revenue growth for dedicated road concession companies like ours across the foreseeable future.

Bajrang Kumar Choudhary
Managing Director

BRNL'S EMPHASIS ON INFORMATION TECHNOLOGY

INDIA'S ROAD TRANSPORTATION SECTOR IS UNDERGOING A PARADIGM SHIFT DUE TO CHANGING SOCIAL TRENDS AND TECHNOLOGY ADVANCEMENTS. FOLLOWING INCREASING URBANISATION, ROAD TRAFFIC ON IS RISING. BRNL IS FOCUSED ON SIMPLIFYING TRAFFIC MOVEMENT THROUGH INNOVATIVE SOLUTIONS LIKE DYNAMIC TARIFFS AND TOLLS WITHOUT BARRIERS. THROUGH PROACTIVE TECHNOLOGY INVESTMENTS, THE COMPANY AIMS TO GENERATE-REAL TIME DATA-BASED SOLUTIONS THROUGH PUBLIC-PRIVATE COLLABORATIONS.

OUR STRATEGIC FOCUS

We are in the process of upgrading our existing IT systems and implementing a fully automated operation management system, integrating technology to monitor the flow of vehicular traffic, real-time revenue and collection monitoring and improved road safety.

We are also working towards the creation of one consolidated platform across the organization for our stakeholders – Operations, Finance and Senior Management – to help them enhance service efficiencies in like Revenue Reporting, Traffic Growth Analysis, Incidence Management and Administration through mobile and web channels.

The Company is exploring various evolving technology disruptions such as Data Analytics, Internet of Things (IoT), Artificial Intelligence, etc. to plan ahead through informed decision-making.



OUR BUSINESS MODEL

OUR BUSINESS GOAL COMPRISES THE MAXIMIZATION OF VALUE FOR ALL STAKEHOLDERS – OUR CLIENTS, INFRASTRUCTURE USERS, INVESTORS, EMPLOYEES AND SOCIETY.

WE ADD VALUE THROUGH OUR MANAGEMENT ENGAGEMENT THROUGHOUT THE ASSET LIFE CYCLE.

BRNL'S BUSINESS IS DIVIDED INTO THREE CATEGORIES: PROJECT DEVELOPMENT AND IMPLEMENTATION; OPERATION AND MAINTENANCE OF TOLLING OPERATIONS; AND PROVIDING ADVISORY AND PROJECT MANAGEMENT SERVICES.

THE REALITIES OF THE ROAD SECTOR IN INDIA

› Government's infrastructure push:

India's Union Budget 2018-19 allocated ₹5.97 lakhs crores for infrastructure, attracting domestic and international players. India's national highway network is expected to cover 50,000 km by 2019, with around 20,000 km scheduled for completion in two years

› **Growing freight volumes:** Indian roads carry almost 90 per cent of the country's passenger traffic and around 65 per cent of its freight. In India, sale of automobiles and movement of freight by roads are growing rapidly. The Indian freight transport market is expected to grow at a CAGR of 13.35% by 2020 to a value of US\$ 307.70 billion. The increase in freight traffic can only be addressed by increasing the nation's road connectivity. The construction of highways reached 9,829 km during FY 2017-18, with an all-time high pace of 27 km per day.

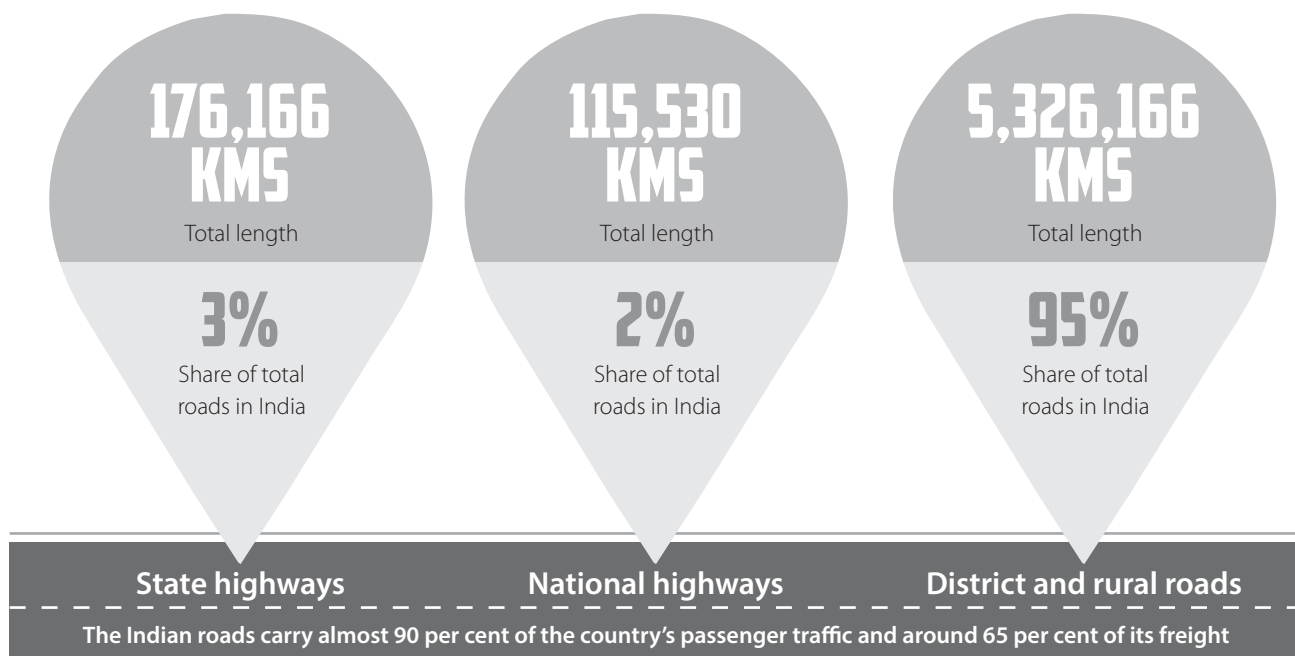
› **Rising e-commerce sector:** The Indian e-commerce market is expected to grow to US\$ 200 billion by 2026 from US\$ 38.5 billion in 2017, catalyzing freight traffic.

› **Government reforms:** The government is revitalizing the PPP model through innovative initiatives such as Hybrid Annuity Mode (HAM) and Toll-Operate-Transfer (TOT). It is also promoting new Infrastructure Investment Trusts (InvIT) to enhance funds mobilisation.

› **Rise in vehicle sales:** The automobile industry registered record sales in FY18. Good monsoons and improved macro-economic conditions buoyed consumer sentiment and the sale of passenger and commercial vehicles as well as two-wheelers.

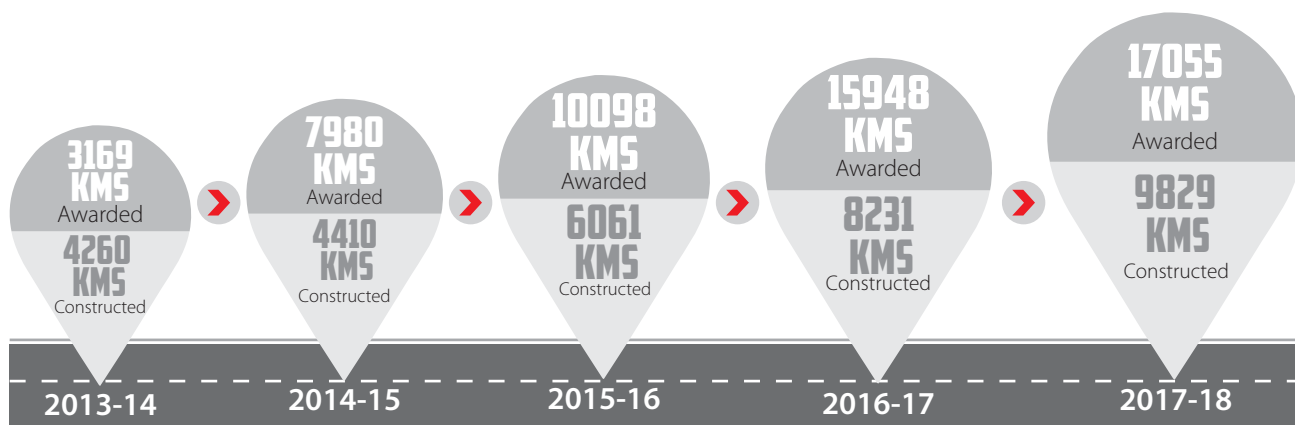
(Source: IBEF, Times of India, Invest India)

TOTAL LENGTH: 5.6 MILLION KMS



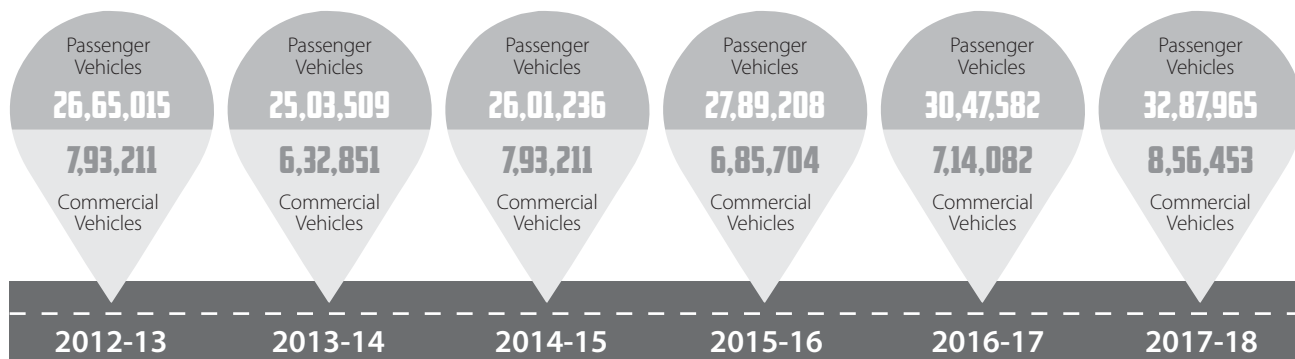
(Source: IBEF)

TOTAL HIGHWAY CONSTRUCTION IN INDIA OVER THE LAST 4 YEARS



(Source: MoRTH)

AUTOMOBILE DOMESTIC SALES TRENDS (UNITS)



(Source: SIAM)

WHAT IT TAKES TO SUCCEED IN THE COMPETITIVE ROAD CONCESSION BUSINESS

Focus

The business warrants a singular, focused life cycle-based approach towards infrastructure assets as opposed to the incidence of an order-book driven view in road concession ownership. Besides, there is a premium on the need to build profitable businesses with the goal of maximizing long-term intrinsic asset value as opposed to a singular focus on building scale. The business also warrants a long-term perspective of the potential of road concessions through their complete life-cycles, riding short-term considerations and market cycles.

Asset management capability

This business warrants the Company's management team to possess considerable experience in the Indian road infrastructure sector, especially in managing and mitigating risk across

the project life cycle and generating operational efficiencies in day-to-day asset management.

Innovative financial structuring capability

Value creation is the core essence of the business, requiring sound financial discipline and strong financial structuring capabilities to maximize returns. The Company needs to possess a competence in assessing true intrinsic asset value to bid effectively and identify portfolio acquisition targets. Besides, managing debt is the key to optimizing costs and enhancing cashflows through a continued access to financial markets.

Technological advancements

There is a requirement to constantly strengthening IT systems and capabilities to drive efficiency through more advanced

and fully-proven technologies that minimize human errors from manual intervention with the objective to create an environment- friendly sustainable business eco system. The business warrants a proactive investment in innovation and technologies that facilitate user experience (time saving and payment ease) and prevent revenue leaks.

Construction management

The business warrants the engagement of efficient construction partners who can deliver on schedule, making it possible for the company to get into revenue-earning mode in the shortest time. Construction hygiene is also vital to ensure the creation of a quality road marked by a lower frequency of road repairs and maintenance.

HOW BRNL IS ADDRESSING SECTORAL CHALLENGES THROUGH A ROBUST BUSINESS MODEL

STRATEGIC

Objective

The Company's objective is to provide investors with a standalone proxy of a bouquet of long-term road concessions in India, generating an attractive double-digit percentage return on investment. The company aims to achieve great outcomes for our stakeholders through prudent long-term investments in highway assets.

Focus

BRNL is a focused player in Public Private Partnership working on asset aggregation platform for growth through bidding and acquisition of projects. It is only focused on being one of the top road concession company in India and does not directly engage in road construction.

Platform

The Company, post listing, is positioned as a unique platform for developing and aggregating attractive road assets. The sustained focus of the Company in creating the most profitable bouquet of cash flow-generating road properties (connections) in the country differentiates it from industry peers who are either EPC players with highway concession assets or infrastructure funds.

Road traffic proxy

At a time when India is investing in the replacement of old roads with new and the creation of completely new roads, BRNL continues to examine road circuits of nascent potential that could translate into attractive throughput (traffic) and toll revenue growth across the future.

Technology

BRNL aims to maximize operational efficiencies through sustained investment in cutting-edge technologies that strengthen toll collection efficiency – and user experience. BRNL believes that innovation and efficiency are essential levers for maximizing long-term returns for shareholders. Moving ahead from the collection of tolls based on the automatic identification and classification of vehicles using electronic and automated systems, the Company is now in the process of adopting emerging technologies such as Artificial Intelligence, Big Data and the Internet of Things that allow complex operations and services to be executed more efficiently, enhance efficient vehicular movement on high-traffic density corridors and improve user experience.

Asset management capabilities

We have a strong team with robust asset management and project execution capabilities coupled with extensive industry experience. These proficiencies, along with

strong client relationships, will enable us to continue to take advantage of opportunities and expand into new markets.

Forecasting capability

The business of road concession

ownership requires an accurate estimation of traffic potential on a road coupled with toll generation potential, making it possible for the company to take an informed investment call.

PORTFOLIO

Portfolio accretion

The Company continues to prospect companies owning attractive road concessions but restricted by stressed Balance Sheets with the objective to buy their interests out. Leveraging on the market penetration in infrastructure financing and deep domain knowledge in the transportation infrastructure sector, BRNL is uniquely placed to grow portfolio exponentially due to its access to market

(construction partner relationship), access to capital (lender relationship) and asset management skillset.

Structure

BRNL's Balance Sheet operates like the sponsor of various projects. Each project is operated as a special purpose vehicle, making it possible to maintain the progress and surplus generated by each within its operating structure.

Project focus

As the BOT space graduates from aggressive project bidding to healthy competition, the Company intends to bid for mid-to-large BOT projects and for HAM-based BOT projects (not just toll-based projects). This approach will help BRNL rationalize costs more effectively, diversify into different project types and moderate income erraticism generally associated in BOT projects with a toll component.

FINANCIAL

Free cash flow model

The company's business model is free cash flow-driven, the principal part of the tolled revenues being used to repay debt and draw down the size of the Balance Sheet of the special purpose vehicle in which the concession's business is being conducted.

Match assets and liabilities

The Company believes that in a business where the concession period stretches

into the long term (18 to 25 years), success is derived from the ability to mobilise corresponding long-term capital that moderates or eliminates the possibility of an asset-liability mismatch. With strong in-house debt syndication capabilities, the Company has been able to increase debt tenure through project refinancing.

Fee-based income

The Company offers additional advisory services to SPVs on debt syndication,

project management, etc. to optimize asset valuation and at the same time generate fee income, which is helping not only in meeting the operational expenses of BRNL but also adding to the bottomline.

Lower debt cost

The Company continues to seek a re-pricing of the outstanding debt on its books through a constant focus on innovative financial structuring and enhancing our surplus – a virtuous cycle.

PARTNERSHIP MANAGEMENT

Outsourcing construction execution

The Company is focused on the outsourcing of the road construction activity related to road concession. This makes it possible for the company to transition from in-vendor to customer, liberating the management bandwidth to focus on asset management capabilities including construction monitoring, concession opportunities and other business strengthening priorities. BRNL is also involved in activities like

project conceptualisation, designing, management to ensure smooth execution and cost optimisation.

Construction partner focus

The Company specializes in the selection of the most efficient construction partner for a specific terrain, which could result in the fastest and competent completion. This matching of terrain knowledge with construction partner capability has helped the company in faster project turnarounds, in turn helping pre-pone revenues and

get the company faster into revenue generation.

The Company continues to work with construction partners who can deliver on time and within cost a first-rate road that requires lower-than-usual maintenance. The focus on quality and efficiency has helped the company identify the most suitable construction partner with whom it may collaborate either as JV partner in a SPV or execution partner in an EPC engagement.

DIRECTORS' PROFILE

Mr. Brahm Dutt, *Chairman*

(DIN: 05308908)

He is the Chairman of the Board and an Independent Director of our Company since January 2014. He holds a Master of Science degree in Physics, Master of Arts

degree in Economics and a Bachelor's degree in Law. He was a member of the Indian Administrative Service and during his service, he inter alia, served as the

Secretary of the Ministry of Road Transport and Highways and the Principal Home Secretary of State of Karnataka.

Mr. Pradeep Singh, *Independent Director*

(DIN: 00304825)

He has been an Independent Director of our Company since September 2015. He has completed his Masters in Public Administration from the Kennedy School of Government, Harvard University, where he received the Littauer Award for "Academic Excellence and Promise of Leadership" and was a Graduate Fellow at Stanford University. He also holds a Master

of Science degree in Physics from Punjabi University and an MBA from Panjab University. He was a member of the Indian Administrative Service and served, inter alia, as the Director, Ministry of Defence, Deputy Secretary of the Ministry of Home Affairs and Managing Director of Assam State Textile Corporation. After resigning from the IAS he worked as the

CEO of ILFS Infrastructure Development Corporation and later as Vice Chairman and Managing Director of IDFC Projects Limited. Till recently he was serving as the Advisor (Infrastructure Development) to the Government of Jammu and Kashmir in the office of the Chief Minister.

Mr. Atanu Sen, *Independent Director*

(DIN: 05339535)

He has been an Independent Director of our Company since September 2016. He holds a Master of Arts degree in Economics from University of Calcutta and is a Certified Associate of The Indian

Institute of Bankers. He was the Managing Director and CEO of SBI Life Insurance Company. He has also served, amongst others as the Deputy Managing Director (Chief Credit and Risk Officer) of the State

Bank of India. He is also the trustee to the National Pension Scheme of Government of India.

Dr. (Ms.) Tuk Tuk Ghosh Kumar, *Independent Director*

(DIN: 06547361)

She has been an Independent Director of our Company, since October, 2016. She holds Master of Philosophy degree and degree of Doctor of Philosophy in History from the University of Delhi and has been a lecturer there from 1979-1981. She was

a member of the Indian Administrative Service of West Bengal Cadre between 1981-2015. She retired in the rank of Secretary, Government of India. Post retirement, she serves on the Board of a few Companies/Authorities in the private

and public sector, as well as Academic and philanthropic organisations and commentates on governance issues in the media and public sphere.

Mr. Bajrang Kumar Choudhary, *Managing Director*

(DIN: 00441872)

He has been a Director on our Board, since March 2011 and has been elevated as the Managing Director of our Company in November, 2016. He has completed his bachelor of commerce from College of Commerce, New Delhi and he is an associate member of The Institute of

Chartered Accountants of India. He is a former Chief Executive Officer - Infrastructure Project Development of Srei Infrastructure Finance Limited, managing portfolio across roads, ports, water and economic zones. He has previously served as the "Chairman- Expert Committee

on Infrastructure" of Indian Chamber of Commerce. He has an experience of over two decades in infrastructure asset management, project development, project implementation, private equity and M&A.

DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure in presenting the Eleventh Annual Report, together with the Audited Accounts of your Company, for the Financial Year ended on 31st March, 2018. The summarized financial performance of your Company is as under:

FINANCIAL RESULTS AND OPERATIONS:

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
Gross Revenue	6,417.43	1,672.83	25,071.86	14,277.56
Total expenses	2,365.77	1,398.89	15,331.98	14,603.48
Profit/(Loss) from operation before Share of Profit/(Loss) of Associates (revenue)	4,051.66	273.94	9,739.88	(325.92)
Share of Profit / (Loss) of Associates	-	-	(6,267.84)	(5,846.98)
Profit / (Loss) before tax	4,051.66	273.94	3,472.04	(6,172.90)
Tax Expenses				
Current tax	863.90	53.82	863.90	59.34
Deferred tax	295.96	-	293.54	-
Profit/ (Loss) for the year	2,891.80	220.12	2,314.60	(6,232.24)
Other comprehensive income Items that will not be reclassified to profit or loss (Net of Taxes)	(5.27)	(32.42)	(4.67)	(31.81)
Total Comprehensive Income for the year	2,886.53	187.70	2,309.93	(6,264.05)
Profit for the year attributable to:				
Owners of the Company	-	-	2,330.76	(6,230.77)
Non-Controlling Interest	-	-	(16.16)	(1.47)
Other Comprehensive Income for the year attributable to:				
Owners of the Company	-	-	(4.67)	(31.82)
Non-Controlling Interest	-	-	-	0.01
Total Comprehensive Income for the year attributable to:				
Owners of the Company	-	-	2,326.09	(6,262.59)
Non-Controlling Interest	-	-	(16.16)	(1.46)
Balance brought forward from the previous year	160.81	(26.89)	(13,055.48)	(6,662.03)
Adjustment on Consolidation*	-	-	-	(130.86)
Profit available to Owners for appropriation	2,891.80	220.12	2,330.76	(6,230.77)
Appropriations:				
Dividend	(420.00)	-	(420.00)	-
Tax on Dividend	(85.45)	-	(85.45)	-
Adjustment of Other Comprehensive Income: Gain (Loss)	(5.27)	(32.42)	(4.67)	(31.82)
Balance carried to Balance Sheet	2,541.89	160.81	(11,234.84)	(13,055.48)

Note: The above figures have been extracted from the Standalone and Consolidated Financial Statements of the Company, for the Financial Year ended on March 31, 2018, prepared as per Indian Accounting Standards (Ind-AS).

*Pursuant to the requirement of section 129(3) of the Companies Act, 2013, the Company had prepared its Consolidated Financial Statement for the first time in the financial year 2014-15. During the financial year 2016-17, the Company had prepared its Consolidated financial statement for the financial year 2013-14 for the purpose of disclosure in offer documents for proposed issue of securities. Consequently, the impact of related party transactions elimination for financial year 2013-14 amounting to Rs. 130.86 lakh has been adjusted with the opening balance of retained earnings during financial year 2016-17.

During the year under review, your Company has earned on a Standalone basis, Net Profit of Rs. 2891.80 Lakhs, as against Net Profit of Rs. 220.12 Lakhs earned in the previous Financial Year. Gross Revenue was Rs. 6417.43 Lakhs as against Rs. 1672.83 Lakhs in the previous Financial Year.

Your Company has, beginning 1st April, 2017, adopted the Indian Accounting Standards for the first time, with a transition date of 1st April, 2016. The Annual Audited Standalone and Consolidated Financial Statements for the year under review, have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS), prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Necessary disclosures w.r.t key impact areas and other adjustments upon transition to Ind-AS reporting have been made under the Notes to the Financial Statements.

DIVIDEND

Interim Dividend

The Board of Directors at its meeting held on 2nd November, 2017, approved payment of Interim Dividend of Rs. 0.50 (5%) per Equity Share on 8,39,50,000 Equity Shares of the Company of Rs. 10 each, fully paid-up, aggregating to Rs. 4.20 crore (exclusive of Dividend Distribution Tax) out of the profits of the Company for the Financial Year 2017-18. Interim dividend was paid on 27th November, 2017 to such members, whose name appeared in the Register of Members as on the record date, i.e., 17th November, 2017.

Final Dividend

In addition to the Interim Dividend, your Directors are pleased to recommend a Final Dividend of Rs. 0.50 (5%) per Equity Share, on 8,39,50,000 Equity Shares of the Company, of Rs. 10 each, fully paid-up, for the Financial Year ended on 31st March, 2018, subject to the approval of the Members at the ensuing Annual General Meeting. The Dividend, will entail a cash outflow of Rs. 4.20 crore (exclusive of Dividend Distribution Tax).

Final dividend, if approved by the Shareholders, taken together with the Interim Dividend, will amount to a total dividend of Rs. 1 (10%) per Equity Share, for the Financial Year 2017-18.

TRANSFER TO RESERVES

No amount has been transferred to any Reserve during the year under review.

PROMOTERS' GROUP SHAREHOLDING

As on March 31, 2018, the total shareholding of Promoter Group of your Company is 65.10% in the Paid-up Share Capital of the Company.

As on March 31, 2018, 18.30% of the Promoters' Group shareholding is under pledge. Further, in compliance with Regulation 31(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"), the entire shareholding of Promoter(s) and Promoter group is in dematerialized form.

PUBLIC DEPOSITS

Your Company has not invited or accepted any deposits covered under Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

I. ECONOMY & INDUSTRY

Indian economy is likely to grow at 7.4% in the current fiscal as against 6.7% in FY18 and is expected to accelerate further to 7.8% in FY20, re-emerging as one of the fastest growing major economies leaving China behind which is expected to grow at 6.6% and 6.4% in FY19 and FY20, respectively, as per IMF forecast. Global growth is seen stable at 3.9% over the current and next fiscal, almost unchanged from 3.6% in FY18.

Indian economy is experiencing recovery from the effects of demonetization and implementation of the Goods and Services Tax. The economy growth is likely to be driven by strong consumption story particularly in rural India, improvement in domestic demand and gaining traction in infrastructure spending.

The Infrastructure sector is a key driver of the Indian economy. A higher industrial growth supported by well-connected infrastructure facility is vital to maintain the momentum of higher sustainable economic growth. The Government is committed to invest more on qualitative infrastructure with an aim to make India an advanced, inclusive and a just economy. During last few years, there has been a significant push from the Government, by providing financial support and taking initiatives to expedite implementation to give a boost to the sector.

Among the core infrastructure segments, the Roads and Highways sector has been a key government priority with the sector receiving strong budgetary support over the years. NHAI under Bharatmala Pariyojana plans to spend INR 6.92 tn on 83,677 kilometers of road construction by 2022 to boost economic growth and employment. The Bharatmala Pariyojana has six important components — development of economic corridors, development of inter-corridor and feeder routes, improvement of the efficiency of existing National Corridors (Golden Quadrilateral and the North-South & East-West corridors), development of coastal and port connectivity roads, development of border and international connectivity roads and development of Greenfield expressways.

Economic growth, increasing government thrust, preference of road in freight traffic, spurt in private participation and surge in passenger traffic and vehicle density continues to be the key growth drivers for increased investments in the Roads and Highways sector. Growing domestic trade flows have led to a rise in commercial vehicles and freight movement; supported by rise in trend of commercial vehicles from 5,67,000 in 2010 to 5,94,550 in 2018 at a CAGR of 5.87%. Road's traffic share of the total traffic in India has grown from 13.8% to 65% in freight traffic and from 32% to 90% in passenger traffic over 1951–2017. Simultaneously, there has been also a constant surge in sale of Passenger as well as Commercial vehicle. Domestic sales of passenger vehicles increased at a CAGR of 4.26% during FY12-18 and reached 3.29 million during FY18 from 2.67 million in FY13. Domestic sales of commercial vehicles increased at a CAGR of 1.6% FY12-18 to 856,453 units in FY18.

Government of India has undertaken major initiatives to upgrade and strengthen highways and expressways in the country including enabling policy measures to facilitate private investments in this sector. Some of the key initiatives include Bharatmala and National Highway Development Program. In addition to Highway Development, focus remains on efficient operations & network management for improving logistics efficiency, which shall give rise to new investment opportunities.

Some of the initiatives and market trends that continue to drive the sector are highlighted below:

- **Increasing pace of road awards:** The Government of India is planning to expand the National Highway network to over 200,000 km and has given a massive push to infrastructure by allocating about USD 100 bn for infrastructure in the Union

Budget 2018-19. It also plans to invest USD 22.4 bn towards road infrastructure in North-East region during 2018-2020. The market for roads and highways is projected to exhibit a CAGR of 36.16% during 2016-2025, on account of growing government initiatives to improve transportation infrastructure in the country. Almost half of the 1,531 PPP projects awarded in India until March 2018 were related to roads.

- **Newer modes of project awards:** The Government has successfully rolled out more than 60 projects worth more than USD 10 billion based on the Hybrid Annuity Model (HAM). HAM has balanced risk appropriately between private and public partners & boosted PPP activity in the sector. Asset recycling, through the Toll-Operate-Transfer (ToT) Model has been taken up by NHAI. The first bundle of 9 highways with an aggregate length of about 680 km was monetised successfully for an investment of USD 1.45 billion.
- **Fiscal Incentives:** 100% Foreign Direct Investment (FDI) through automatic route allowed subject to applicable laws and regulation. Right of Way (ROW) for project land made available to concessionaires free from all encumbrances. 100% tax exemption for 5 years and 30% relief for next 5 years, which may be availed of in 20 years.
- **Increasing participation of Private Equity funds:** Private Equity has contributed to road projects in the past. Going ahead, Private Equity investment can further pick up, following the recent announcements of 100% exit policy for debt-stressed operators for toll roads.
- **Operate Maintain Transfer (OMT):** Operate, Maintain, Transfer (OMT) models have also been adopted by a few large Indian states, where road development authorities' state have invited bids / awarded State Highway stretches to be operated and maintained on OMT basis.
- **ETC lane:** The decision of the Ministry of Roads Transport and Highways to roll out ETC programme in the country under the brand name 'FASTag' has resulted in greater user convenience through automation. Electronic Toll Collection is being encouraged to minimize toll collection time and reduce pilferage in toll collection on NHs. Enabling facilities for ETC is being put proactively to enable seamless movement of vehicles on the National Highways to promote digital transformation and cash less economy.

II. OPPORTUNITIES

Over the past few years, the Roads and Highways sector has opened up plethora of opportunities for the companies engaged in Highway construction and development. The Government under Bharatmala Pariyojana plans to build 83,677 km of road by 2022 with a total estimated investment at INR 6.92 tn. The project will be implemented jointly by NHAI, MoRTH, NHIDCL and state PWD for faster execution of the project.

NHAI in FY18 awarded 150 road projects for constructing about 7,400 kilometers of highways worth Rs 1.22 Lakhs crore. During

FY18, National Highways of 9,829 Kms were constructed with a construction record of 28 Km per day. This represents ~20% growth over the last year, when 8,231 km were constructed.

NHAI Road Awards

Year	Length (Km)	Project Value (Rs Crore)
FY15	3,069	22,700
FY16	4,368	69,700
FY17	4,337	60,900
FY18	7,400	1,22,000

Source: NHAI

Over the next 5 years, the investment in National Highways awards will majorly be under EPC and HAM, a breakaway from past trends. HAM has now gathered momentum and is likely to improve private participation in the sector. The model has been successful in bringing new set of players to the private space.

NHAI is monetizing public funded National Highway (NH) projects which are operational and are generating toll revenues for at least two years after the Commercial Operations Date (COD) through the Toll Operate Transfer (TOT) Model. Around 75 operational NH projects completed under public funding have been preliminarily identified for potential monetization using the TOT Model.

Monetization of public funded NH roads is expected to create a framework for attracting long term institutional investment on the strength of future toll receivables. Market feedback indicates that certain institutional investors from outside the country have a long term investment appetite and are keen to participate in operational highway projects with stable toll revenue outlook. These investors generally hesitate in taking construction risk but are willing to look at de-risked Brownfield road assets.

III. BUSINESS & OPERATIONS

Your Company is a road BOT company in India, focused on development, implementation, operation and maintenance of National and State Highways with existing projects in states of Uttar Pradesh, Kerala, Haryana, Madhya Pradesh, Maharashtra and Odisha. At present, all of your Company's projects are implemented through Special Purpose Vehicles (SPVs), either directly or in partnership with other infrastructure players.

The main business operations of your company can be divided into three categories, i.e.

- Project development and implementation;
- Operation and Maintenance of tolling operations and
- Advisory and Project Management Services including Debt Syndication for our projects.

During the year under review, your Company has focused on all these areas to augment resources.

Your Company has a project portfolio consisting of six (6) BOT Projects covering almost 2095 km of Roads and Highways across 6 states in India. Out of the six projects in our portfolio, five (5) projects are operational covering approximately 1,695 lane kms, including

major and minor bridges and one (1) Project is under Construction which involves development of approximately 400.24 lane kms, including major and minor bridges. The Operational projects are located in the states of Kerala, Madhya Pradesh, Haryana, Uttar Pradesh and Odisha whereas the Under Construction project is located in the state of Maharashtra.

• **Operational Projects:**

1. **Guruvayoor Infrastructure Private Limited ("GIPL"):** Four laning of the existing two lane portion of the Thrissur-Angamali section of NH-47 from km 270.00 to km 316.70 and improvement, operation and maintenance of the Angamali-Edapalli section from km 316.70 to km 342.0 of NH-47 in the state of Kerala on BOT Toll basis.
2. **Mahakaleshwar Tollways Private Limited ("MTPL"):** Four laning of the Indore-Ujjain portion from Ch. 5/2 to Ch. 53 on State Highway 27 on BOT Toll basis in the state of Madhya Pradesh.
3. **Ghaziabad Aligarh Expressway Private Limited ("GAEPL"):** Four laning of the Ghaziabad-Aligarh section of NH-91 connecting km 23.60 to km 140.20 of NH-91 and subsequent six laning of the project highway (excluding Aligarh bypass from km 129.60 to km 149.90) before the 12th anniversary of the appointed date on BOT (Toll) basis.
4. **Kurukshetra Expressway Private Limited ("KEPL"):** Four laning of the Rohtak-Bawal section of NH-71 from km 363.30 to km 450.80 in the state of Haryana on DBFOT Toll basis.
5. **Shree Jagannath Expressways Private Limited ("SJEPL"):** Six laning of the existing road from km 413.00 to km 418.00 and km 0.00 to km 62.00 on Chandikhole-Jagatpur-Bhubaneswar section of NH-5 in the state of Odisha on DBFOT Toll basis.

• **Under Construction Projects:**

1. Solapur Tollways Private Limited: Four laning of the Solapur-Maharashtra/ Karnataka border section of NH-9 from km 249.00 to km 348.80 in the state of Maharashtra on DBFOT Toll basis.

• **Project under Foreclosure:**

1. **Orissa Steel Expressway Private Limited ("OSEPL"):** The OSEPL Project for augmenting the existing road on the Rimuli-Roxy-Rajamunda section of NH-215 from km 163.00 to km 269.00 on DBFOT basis was signed on July 6, 2010 with the NHAI. Due to Land non-availability and Forest clearance issues, NHAI has agreed to amicably Foreclose the said Agreement without any penalty and agreed to address the claims/ losses of OSEPL through suitable redressal mechanism. Based on same, a joint inspection of the Project site was carried on and thereafter the project has been handed over to NHAI on 02-03-2017 on "as is where is basis". OSEPL further have submitted a claim of Rs.

830.48 crore on NHAI towards cost incurred, finance costs, overheads and loss of profit- up to March 31, 2018. OSEPL has also approached NHAI for immediately settling the claim through Arbitration process. The Arbitration process has commenced in April 2018 and final award is likely to be announced in the near future.

IV. BUSINESS PERFORMANCE

During the year under review, your Company continued its focus on improving operational efficiency through increased automation of services and adopted prudent project delivery mechanism to expedite execution of the existing asset under construction.

• **Traffic and Revenue Growth**

Despite impact of GST implementation in July 2017, which affected the movement of goods substantially and therefore affected the tolling adversely, the Average Daily Revenue (ADR) across all the operational projects increased by 22% to Rs. 163 Lakhs in Financial Year 2017-18 from Rs. 134 Lakhs in Financial Year 2016-17. The toll revenue is expected to improve further and stabilize with increased economic activity across the high growth industrial corridors along the project stretch.

- o **Ghaziabad Aligarh Expressway Private Limited:** The project continues to register a impressive toll revenue growth as the Average Daily Revenue increased from Rs. 43 Lakhs in FY 2016-17 to Rs. 53 Lakhs in FY 2017-18. Major increase in Revenue was on account of provisional COD of additional 19 km stretch which was obtained on 25th November, 2016 for tolling 123 km of Highway stretch. The tolling on 104 km of Ghaziabad Aligarh Expressway commenced in June 2015 and has since been reporting steady toll revenue growth. The toll revenue is expected to improve further by next financial year due to increased economic activity in the corridor.
- o **Mahakaleshwar Tollways Private Limited:** This year post installation of new upgraded Toll Management System (TMS), the project has shown reasonable growth in exemption control and improved revenue collection. In FY 2017-18, the Average Daily Revenue has grown by 13% to Rs. 7.19 Lacs from Rs. 6.35 Lacs per day in FY 2016-17. However, since the tolling was suspended by Madhya Pradesh Road Development Corporation Limited (MPRDC) twice in FY 2016-17 on account of Ujjain Simhastha & Demonitization, amounting to a toll loss for 83.5 days the impact on total revenue was much higher: 27.19 Cr in FY 2017-18 as against 17.87 Cr in FY 2016-17. Although MPRDC has agreed to compensate the revenue loss by way of increase in concession period by equivalent number of days, the company is aggressively pursuing the claim for this revenue loss in cash compensation.
- o **Shree Jagannath Expressways Private Limited:** The provisional COD for the project obtained on January 12, 2017 resulted in substantial increase in Average Daily

Revenue (ADR) from Rs. 28 Lakhs in FY 2016-17 to Rs. 41 Lakhs in FY 2017-18. In the coming years it is expected that revenue shall increase further on account of major boost in economy resulting from expected growth of mining industry in the hinterland.

- o **Kurukshetra Expressway Private Limited:** The project has undergone a transformation following temporary interruptions in services due to external forces. During the year under review, the project displayed remarkable improvement in exemption control after installation of state-of-the-art Toll Management Services (TMS). The exemption control resulted in considerable improvement in Average Daily Revenue to Rs. 26 Lacs from Rs. 23 lacs, increasing by 13%.
- o **Guruvayoor Infrastructure Private Limited:** During the year under review, the Company has shown a robust growth of 9% in Average Daily Revenue to Rs. 37 lacs in FY 2017-18 as against Rs. 34 Lacs in FY 2016-17 due to greater economic activity along the project corridor and strengthening of TMS technology for exemption reduction.
- o **Solapur Tollways Private Limited:** During the year under review, the overall progress of the STPL Project was delayed due to, amongst other reasons, a delay in acquisition of land and shifting of utilities from the Concession Authority. As STPL Project continues to face delays due to reasons which are not attributable to STPL, the Project Authority has been requested for extension of time by 760 days from the Scheduled COD, i.e. upto December 27, 2018. It is expected that the project shall achieve the commercial operation during this financial year.
- **Technology Up-Gradation:** Your Company maintained its focus on strengthening IT system and capabilities to create digital, scalable and sustainable business eco system. The company is committed towards driving efficiency through more advanced and fully proven technologies to minimize human errors resulting from manual intervention and also moving towards more robust system. During the year under review, your Company has embarked on a Digital Transformation initiative for automating operations across Toll Plaza and construction projects keeping an eye on further improvement in toll revenue, better operational efficiency and proactive business planning.
- **Effective Project Management and Delivery:** Your Company intends to focus on improving project monitoring and management capabilities to faster execution of project. Although deterred by lack of ROW, your Company has been successful in streamlining project execution for faster completion of Ghaziabad Aligarh Expressway Private Limited and Shree Jagannath Expressways Private Limited, enabling us to receive the PCODs.

V. FUTURE BUSINESS PLANS

Your Company is a pure play BOT Company focused on development, implementation, operation and maintenance of

roads/highways projects. As an infrastructure developer operating on the asset aggregation platform, our business growth strategy is strongly driven by portfolio expansion and improving operational efficiency for value accretion.

o **Uniquely positioned to expand through Inorganic growth:**

Leveraging on the domain knowledge and a decade long experience in the infrastructure space, your Company is looking at inorganic growth opportunities either through acquisition of projects or consolidation of its stake in existing projects. Your Company through increased activity in the secondary market is continuously evaluating assets which are available at attractive valuation assuming such acquisitions are supported by sound strategic and financial objectives. Your Company has been able to consolidate its stake in one of its assets, Guruvayoor Infrastructure Private Limited in Kerala, where your Company acquired 73.98% stake (acquisition of 26% out of the 51% stake is under progress) from its partner. Your Company has created a platform where it expect to see a lot of consolidation play happening.

o **Evaluating opportunities in Primary Market:**

The Government is focusing on transforming India through infrastructure creation at gigantic scale with estimated investments of over Rs 6.9 tn towards constructing 83,677 Km of roads under Bharatmala Pariyojana and other road development programs. With such a huge opportunity shaping up the roadmap for growth of the sector, your Company is strongly placed to capitalise on its financial capability and asset management skill set, to make the most of the opportunities and strengthen its asset portfolio. Your Company is assessing commercial viability for bidding for primary market opportunities under Hybrid Annuity Model (HAM) and Toll Operate Transfer (TOT). Your Company will continue to leverage its expertise in managing infrastructure assets under the PPP model to drive long-term growth.

o **Optimizing Financial Structure:**

Your Company is exploring options for refinancing in various SPVs to lower borrowing costs and improve cash flows. BRNL has been able to do a decent refinancing and re-pricing job for one of its assets, Shree Jagannath Expressways Private Limited and was able to bring the rate of interest down by 1.5% to 2% per annum. The priority for your Company is to continue its effort towards repricing and re-tenure its debt in all its assets. Though your Company sources funding for existing projects primarily through long term loans from banks and other financial institutions, the Company intends to continue to evaluate various funding mechanisms which will enable it to enhance credit rating and in turn reduce borrowing cost and improve liquidity.

o **Continue to focus on technology and operational efficiency:**

With gaining prominence of IT system and other internal processes in every aspect of business and operations, your Company is constantly strengthening the IT system and capabilities to create an environment friendly sustainable

business eco system. Your Company is committed towards driving efficiency through more advanced and fully proven technologies to minimize human error resulting from manual intervention and also moving towards more environment friendly transportation solutions that are sustainable both from energy consumption and an environment perspective.

Your Company is in the process of upgrading the existing IT systems and implementing a fully automated operation management system integrating technology primarily to monitor the flow of vehicular traffic, real time revenue and collection monitoring and improved road safety.

As part of the digital drive, your Company aims to create one single consolidated platform across all organizations for all stakeholders –Operations, Finance and Management to help them in enhancing their efficiencies in services like Revenue Reporting, Traffic Growth Analysis, Incidence Management and Administration through mobile and web channels. The emerging technology interventions such as Sensor driven/RFID driven auto capture or Internet of Things (IoT), Artificial Intelligence / Machine Learning driven smart projections or analytics, automated traffic volume reporting on real time basis, Cloud based Data management system and Workflow management are explored for better and informed decision making planning.

o **Enhancing in-house integration with an aim to improve performance and enhance returns:**

Your Company seeks to continue its focus on enhancing in-house competencies by expanding into various functional aspects of projects, thereby reducing dependency on third parties. The Company intends to focus on strengthening project designing and engineering capabilities, project monitoring and management capabilities. It is believed that developing specialized in-house capabilities would reduce dependency on third parties, thereby avoiding risks and minimizing costs associated with outsourcing.

VI. FUTURE OUTLOOK

India has a massive infrastructure investment requirement to the tune of USD 4.54 trillion by 2040 and infrastructure creation of such a gigantic scale does require a wide range of resources, expertise and skills together with funding either from public and private sources. Considering the limited scope to maneuver public spending of such a massive scale and size, the Public-Private Partnership (PPP) assumes significance, both for attracting investment in infrastructure and leverage on the asset management skill set of the private sector.

As PPP model is aimed at leveraging on the private capital for infrastructure development and making the best use of the asset management skill set of the infrastructure companies, we see ourselves as strong enabler for PPP projects while acting as a bridge between the Public Asset and Project Authority. We leverage on our strong asset management skill set, access to capital and rich pool of contractors and our expertise in financial engineering to implement projects.

Over the past few years, there has been a lot of proactive measures being taken up for reviving the infrastructure sector and thankfully Roads and Highways sector has so far been the biggest beneficiary

of Government's thrust on infrastructure. Economic growth, preference of road in freight traffic, spurt in private participation and surge in passenger traffic and vehicle density are key growth drivers for infrastructure investments. Greater connectivity between different cities, towns and villages has led to increased road traffic over the years.

The Government has given a massive push to infrastructure by allocating Rs 5.97 Lakhs crore for infrastructure in the Union Budget 2018-19. For the Road sector, the Government provided an outlay of Rs 1.21 Lakhs crore. The rise in investments, reforms and higher budgetary support is expected to drive growth in roads and highways sector in India. The Government of India has succeeded in providing road connectivity to 85% of the 178,184 eligible rural habitations in the country under the scheme. All villages in the country are expected to be connected through a road network by 2019, as against 2022 previously, under the Pradhan Mantri Gram Sadak Yojana (PMGSY). Total length of roads constructed under PMGSY in FY18 was 47,447 km. Under the Union Budget 2018-19, Government of India allocated an investment of Rs 19,000 crore for PMGSY and will spend around Rs 1 Lakhs crore during FY18-20 to build roads in the country under PMGSY.

NHAI has started the tendering process for projects worth ~Rs 1tn. Out of this HAM accounts for ~60% of the tender value with EPC accounting for the rest. Currently BOT projects are not being actively tendered by NHAI.

The Government of India is quite empathetic to the concerns of the industry and has shown intent to resolve the crisis through a series of reform measures, the actual action on the ground needs to be effective enough to tackle the core issues related to land acquisition, time bound resolution of disputes, faster settlement of claims and local administrative support to streamline on-ground execution mechanism.

VII. RISK MANAGEMENT

Risk management forms an integral part of your Company's future growth strategy. The risk management strategy of your Company hinges on a clear understanding of various risks and adherence to well-laid out risk policies and procedures that are benchmarked with industry best practices. Your Company has developed robust systems and embraced sturdy practices for identifying, measuring and mitigating various risks and ensuring that they are maintained within pre-defined risk appetite levels.

Risk and Concern

- **Growth Risk**

Growth risk is the inability to effectively manage growth or to successfully implement business plans which depends heavily on the ability to plan and execute the growth strategy. Growth Risk can impact organic as well as inorganic growth vision of the Company in the form of inability to successfully bid for new projects at attractive IRR or acquisition of existing stressed projects at attractive valuation.

Your Company's growth risk mitigation strategy is guided by constant review and analysis of market opportunities and trends in both organic and inorganic space for selective bidding for new projects and acquisition for projects falling within our stringent investment criteria.

• Business Risk

Business Risk includes risks with respect to competition, capital intensiveness, input cost, traffic growth for BOT projects and labour.

Your Company faces risk of competition as the sector is growing and more players get qualified to bid for new projects, also as the nature of business which your company operates is capital intensive by nature, availability of sufficient funds is critical for bidding of projects, particularly in case of fund-based projects such as BOT-toll, HAM and TOT model. Further, availability of the right quality and quantity of resources is critical for the timely completion of infrastructure projects, any unexpected increase in the input costs will have direct impact on overall margins. Moreover undue attrition of manpower could lead to loss of competitive edge as it may lead to project delays.

Your Company has a well-designed mitigation plan to address these business risks. Company adapts its policies and procedures to ensure a sustained business model. We strive to execute maximum number of projects before their scheduled completion and within the budgeted cost. Your company operates its working capital cycle in a highly optimized manner, your company enters into contracts with EPC Partners which has the relevant cost escalation provisions that protect our margins. Further, your company's focus is to build an organisation of highly motivated employees, having the ability to execute ambitious business goals with passion and commitment, thereby exceeding customer aspirations. The working environment of the Company is cordial and employee-friendly. The remunerations are at par with the industry standards.

• Regulatory Risk

The business of the company is significantly dependent on various Government entities and could be adversely affected if there are adverse changes in the policies adopted by such Government entities.

Your Company regularly reviews and monitors government policies and likely developments along with an impact assessment of those policies so that necessary actions can be planned and implemented from time to time.

VIII. HUMAN RESOURCE DEVELOPMENT

Your Company has shown commitment in embracing an integrated approach towards the overall development in Human Resource and adopted best Human Resource Practices over the past few years. In terms of its manpower strength till 31st March 2018, the overall headcount of Group including the project entities increased to 1182 which includes 19 employees of Bharat Road Network Limited & 1163 at project SPVs, which consists on-roll employees & off-roll resources of 677 & 486 respectively.

The Human Resources department will act as a catalyst to enable all BRNL and its SPV employees to contribute at optimum levels toward the success of the business, focused on the development of workforce in terms of capability, values, attitude and behavior. Your Company's aim is to Promote and recruit the best qualified people, recognizing and encouraging the value of diversity in the workplace. Moving forward, your Company is committed to nurture the existing talent through Training and Development and implementation of

the best Talent Management Practices like Succession planning by identifying the critical roles of the organization as these will add value by enabling the Organization to execute its strategy and to do so as efficiently and speedily as possible. Your Company is establishing, administering and effectively communicating sound policies, rules and practices that treat employees with dignity and equality while maintaining company compliance with employment and labour laws, corporate directives and labour agreements. There has been also adequate focus on Employee Engagement activities and employee welfare programs to engage the manpower for their productivity enhancement. Your Company is also committed towards giving back to the society by working towards the welfare of the community by engaging into different CSR activities. Overall the aim is to provide a work atmosphere that is safe, healthy, and secure and conscious of long-term family and community goals.

IX. INTERNAL CONTROL AND AUDIT

Your Board places utmost importance in setting up and regularly enhancing Internal Control Framework in view of complex business environment and increasing regulatory oversight for sustainable growth. Your Company adopts a calibrated and smart framework spanning on pillars of administrative and financial controls. On the administrative control side, your Company has a proper reporting structure, several oversight committees, defined roles and responsibilities at all levels to ensure appropriate checks and balances. On the financial controls side, management with the knowledge and understanding of the business, its organization, operations, and processes has put in place appropriate controls including segregation of duties and reporting mechanism to deter and detect misstatements in financial reporting.

Your Company has an Internal Financial Control (IFC) System, which commensurate with the nature of its business and the size and complexity of its operations. The Company's system of internal control has been designed to provide a reasonable assurance with regard to controls over critical business activities and operations, policies and procedures for ensuring the orderly and efficient conduct of business, critical procurements, prevention and detection of frauds and errors, compliance with regulations and for ensuring timeliness and reliability of financial reporting. Your Company's IFC have been reviewed and actions have been taken wherever needed, to strengthen control and overall risk management procedure.

The Internal Audit is carried out by a firm of Chartered Accountants which reports its findings and observations directly to the Audit Committee. The Audit Committee evaluates and reviews the adequacy and effectiveness of the Internal Control Systems and suggests improvements to strengthen them. Based on the report of Internal Auditor and the response thereto, necessary corrective actions are undertaken to strengthen the controls. Overall, the Board and the Audit Committee maintains a proactive approach in ensuring that the control and governance framework is regularly reviewed and timely corrective actions are taken to minimize risk of disruption.

Moving forward, your Company, w.e.f Financial Year 2018-19, has set up an in-house Internal Audit Department to strengthen its control environment.

SUBSIDIARY & ASSOCIATE COMPANIES

During the year under review, in terms of the Securities Purchase Agreement (SPA), executed amongst your Company, Guruvayoor Infrastructure Private Limited (GIPL), KMC Constructions Limited and KMC Infratech Road Holdings Limited (together, "KMC affiliates"), and subject to necessary approvals, your Company has agreed to acquire additional 51% stake in GIPL from KMC affiliates, which would make GIPL a Wholly-Owned Subsidiary of the Company.

Pursuant to the said SPA, your Company has on 28th March, 2018, acquired 24.98% equity shares in GIPL, thereby increasing its existing shareholding in GIPL from 49% to 73.98%. Consequently, GIPL has become a subsidiary of your Company, w.e.f. 28th March, 2018, pursuant to Section 2(87) of the Companies Act, 2013 and a "Material Subsidiary" pursuant to Regulation 16(c) of SEBI Listing Regulations, 2015 since the total income of GIPL exceeded 20% of the consolidated income of your Company during the immediately preceding Accounting Year.

As on the date of this Report, your Company has 3 (three) Subsidiaries and 4 (four) Associate Companies.

The names of companies which became or ceased to be Subsidiaries or Associate Companies, during the year, are as under:

NAME	STATUS
Guruvayoor Infrastructure Private Limited	Ceased to be an Associate and became a Subsidiary w.e.f. March 28, 2018.

PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES & ASSOCIATE COMPANIES

The Statement in Form AOC-1 containing the salient features of the Financial Statements of your Company's Subsidiaries and Associate Companies, pursuant to first proviso to Section 129(3) of the Companies Act, 2013 (Act), read with Rule 5 of the Companies (Accounts) Rules, 2014, forms part of this Annual Report. Further, in line with Section 129(3) of the Act read with the aforesaid Rules, the SEBI Listing Regulations, 2015) and in accordance with the Indian Accounting Standards specified under section 133 of the Act, Consolidated Financial Statements prepared by your Company includes financial information of its Subsidiary and Associate Companies.

Further, in accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements of each of the Subsidiary, included in the Consolidated Financial Statements prepared by your Company as per Rule 8(1) of the Companies (Accounts) Rules, 2014, are available on the website of your Company, www.brnl.in.

Members interested in obtaining a copy of the Annual Accounts of the Subsidiaries may write to the Company Secretary at your Company's Registered Office. The said Report is not reproduced here for the sake of brevity.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT

There is no such material change and commitment affecting the financial position of your Company, which have occurred from the end of the Financial Year ended on March 31, 2018 and the date of this Report.

INITIAL PUBLIC OFFER (IPO)

Your Company came out with Initial Public Offer (IPO) of 2,93,00,000 (Two Crore, Ninety-three Lacs) fresh equity shares of face value Rs. 10/- each, at a price of Rs. 205/- per equity share (including a share premium of Rs. 195/- per share), to applicants under various categories, viz., Qualified Institutional Buyers, Non-Institutional Investors and Retail Individual Investors, in September, 2017. The Equity Shares of the Company were successfully listed at BSE limited (Scrip Code: 540700) and National Stock Exchange of India Limited (Symbol: BRNL) with effect from 18th September, 2017.

Since your Company has achieved the listing status w.e.f. 18th September, 2017, the compliances of various laws with respect to provisions thereof, applicable to a listed Company, have become applicable to your Company from the said date and your Company has been complying with the same regularly.

Your Directors take this opportunity to thank all the investors for their overwhelming response to the IPO and for the confidence reposed by them.

CAPITAL STRUCTURE

At present, the Authorized Capital of the Company is Rs. 100 Crore (Rupees One Hundred Crore) divided into 10 Crore (Ten Crore) Equity Shares of Rs. 10 each.

Pursuant to the Initial Public Offer, the Paid-up Share Capital of your Company increased from Rs. 54.65 Crore, divided into 5,46,50,000 (Five Crore, Forty-six Lacs, Fifty Thousand) Equity Shares of Rs. 10 each, to Rs. 83.95 Crore, divided into 8,39,50,000 (Eight Crore, Thirty-nine Lacs, Fifty Thousand) Equity Shares of Rs. 10/- each.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Directors

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 and Rules made thereunder, Mr. Bajrang Kumar Choudhary (DIN: 00441872), Managing Director of your Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. His brief resume/details has been furnished in the Notice of the ensuing AGM. The Board, therefore, recommends the said re-appointment of Mr. Bajrang Kumar Choudhary.

Your Company has received declaration from each of the Independent Directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of Independence as laid down in

Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI Listing Regulations, 2015.

There was no change in the Directors of your Company during the year under review.

Key Managerial Personnel

During the year under review, Mr. Sanjay Banka, Chief Financial Officer and Company Secretary of the Company resigned from the office of the Company Secretary and Compliance Officer w.e.f. close of Business hours of December 16, 2017. Mr. Sanjay Banka, however, continued as the Chief Financial Officer (CFO) of the Company.

The Board of Directors of your Company appointed Mr. Naresh Mathur (FCS: 4796), as Company Secretary and Compliance Officer of the Company, w.e.f. December 17, 2017.

As per the provisions of Section 203 of the Companies Act, 2013, read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following Director / Executives of your Company are the Key Managerial Personnel as on March 31, 2018 –

Name	Designation
Mr. Bajrang Kumar Choudhary	Managing Director
Mr. Sanjay Banka	Chief Financial Officer
Mr. Naresh Mathur	Company Secretary

MEETINGS OF BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on policy and strategy apart from other Business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are noted at the subsequent Board Meeting.

7 (Seven) Meetings of the Board of Directors of the Company were held during the Financial Year 2017-18 on 26th April, 2017, 21st August, 2017, 14th September, 2017, 5th October, 2017, 2nd November, 2017, 16th December, 2017 and 14th February, 2018.

The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days.

AUDIT COMMITTEE

The Audit Committee of your Company has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations, 2015.

As on 31st March, 2018, the Audit Committee of your Company comprised of Mr. Brahm Dutt (Independent Director), acting as the Chairman of the Committee, Mr. Atanu Sen (Independent Director) and Mr. Bajrang Kumar Choudhary (Managing Director), acting as the Members of the Committee.

For operational convenience, the Board of Directors of your Company at its Meeting held on 29th May, 2018, has reconstituted the Audit Committee. The Committee, presently, comprises of Mr. Brahm Dutt (Independent Director), acting as the Chairman of the Committee, Mr. Pradeep Singh (Independent Director), Mr. Atanu Sen (Independent Director) and Mr. Bajrang Kumar Choudhary (Managing Director), acting as the Members of the Committee.

Mr. Naresh Mathur, Company Secretary, acts as the Secretary to the Committee.

The scope and functions of the Audit Committee is in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. The brief Terms of Reference of the Audit Committee has been provided in the Corporate Governance Report, forming part of this Annual Report.

4 (four) Meetings of the Audit Committee were held during the Financial Year 2017-18 on 26th April, 2017, 14th September, 2017, 2nd November, 2017 and 14th February, 2018.

During the year under review, there were no such instances wherein the Board had not accepted any recommendation of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of your Company has constituted a Nomination and Remuneration Committee (NRC) in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, 2015.

As on 31st March, 2018, the NRC comprised of Mr. Brahm Dutt (Independent Director), acting as the Chairman of the Committee, Mr. Pradeep Singh (Independent Director) and Mr. Atanu Sen (Independent Director) as Members of the Committee.

For operational convenience, the Board of Directors of your Company at its Meeting held on 29th May, 2018, has reconstituted the NRC. The Committee, presently, comprises of Mr. Pradeep Singh (Independent Director), acting as the Chairman of the Committee, Mr. Brahm Dutt (Independent Director) and Dr. (Ms.) Tuk Tuk Ghosh Kumar (Independent Director) as Members of the Committee.

Mr. Naresh Mathur, Company Secretary, acts as the Secretary to the Committee.

The scope and function of NRC is in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. The brief Terms of Reference of the Committee has been provided in the Corporate Governance Report, forming part of this Annual Report.

2 (two) meetings of the NRC were held during the Financial Year 2017-18, on 26th April, 2017 and 16th December, 2017.

The Committee has formulated the Nomination and Remuneration Policy ('BRNL Nomination and Remuneration Policy') which broadly lays down the various principles of remuneration viz support for strategic objectives, transparency, internal & external equity, flexibility, performance-driven remuneration, affordability and sustainability and covers the procedure for selection, appointment and compensation structure of Board members, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) of your Company.

The BRNL Nomination and Remuneration Policy has been hosted on the website of the Company, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The total amount required to be spent for CSR, being 2 (two) per cent of the average net profits of your Company made during the three immediately preceding financial years, during the Financial Year 2017-18, aggregated to approximately, Rs. 1.22 Lacs.

Your Company has constituted a CSR Committee, as required in terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder.

The CSR Committee comprises of Dr. (Ms.) Tuk Tuk Ghosh Kumar (Independent Director), acting as the Chairperson of the Committee, Mr. Atanu Sen (Independent Director) and Mr. Bajrang Kumar Choudhary (Managing Director) as Members of the Committee.

Mr. Naresh Mathur, Company Secretary, acts as the Secretary to the CSR Committee.

The brief Terms of Reference of the Committee has been provided in the Corporate Governance Report, forming part of this Annual Report.

There has been no change in the composition of CSR Committee during the year under review.

The Company has also framed a CSR Policy, in line with the provisions of Section 135 of the Companies Act, 2013, and the same has been hosted on the website of the Company, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report. Your Company strives to contribute towards CSR, as per the line items included in Schedule VII to the Companies Act, 2013.

During the year under review, 1(one) CSR Committee Meeting was held on 2nd November, 2017.

Your Company is fully aware of the fact that as a corporate citizen, it is also entrusted with the responsibility to contribute for the betterment of the society at large. For this purpose, even though the amount to be spent on CSR was Rs. 1.22. lacs, your Company voluntarily contributed a sum of Rs. 5 lacs on CSR.

During the year under review, your Company contributed to Srei Foundation, which through IISD Edu World, extended support towards promoting education among underprivileged students by bearing their educational expenses. IISD Edu World is a Company registered under Section 25 of the Companies Act, 1956 (now, Section 8 of the Companies Act, 2013). It manages two (2) schools which, presently, impart education up to standard IX and V, respectively, along with facilities, like, free mid-day meals, books and school dresses at concessional rates. The donations received by the entity helps to sustain the financial and educational activities undertaken by the two schools. Moreover, donation to Srei Foundation qualifies for deduction under Section 80G of the Income Tax Act, 1961.

As prescribed under Section 135 of the Companies Act, 2013, read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, an Annual Report on CSR Activities, has been set out as an Annexure to this Directors' Report.

PERFORMANCE EVALUATION

The Nomination and Remuneration Committee (NRC) of your Company has formulated and laid down criteria for Performance Evaluation of the Board (including Committees) and every Director (including Independent Directors) pursuant to provisions of Section 134, Section 149, read with the Code for Independent Directors (Schedule IV), and Section 178 of the Companies Act, 2013, covering, inter alia, the following parameters:

- i) Board Evaluation - degree of fulfilment of key responsibilities; Board culture and dynamics.
- ii) Board Committee Evaluation - effectiveness of meetings; Committee dynamics.
- iii) Individual Director Evaluation (including Independent Directors) - contribution at Board Meetings.

During the year under review, the Board carried out annual evaluation of its own performance as well as evaluation of the working of various Board Committees, viz., Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. This exercise was carried out through a structured questionnaire prepared separately for Individual Board Members (including the Chairman and Managing Director) and Board Committees based on the criteria as formulated by the Nomination and Remuneration Committee and in context of the Guidance note dated January 05, 2017 issued by SEBI.

Based on these criteria, the performance of the Board, various Board Committees and of the Individual Directors (including Independent Directors) was evaluated and found to be effective.

During the year under review, the Independent Directors of your Company reviewed the performance of Non-Independent Directors and Chairperson of your Company, taking into account the views of Executive Director and Non-Executive Directors. They hold an unanimous opinion that the Non-Independent Director, viz Managing Director brings to the Board, abundant knowledge in his respective field and is an expert in his area. Besides, he is insightful, convincing, astute, with a keen sense of observation, mature and have a deep knowledge of your Company.

The Board, as a whole, is an integrated, balanced and cohesive unit, where diverse views are expressed and discussed when required, with each Director bringing professional domain knowledge to the table. All Directors are participative, interactive and communicative.

The Chairman has abundant knowledge, experience, skills and understanding of the Board's functioning, possesses a mind for detail, is meticulous to the core and conducts the Meetings with poise and maturity.

Board Committees are adequately composed (in terms of size, skill, expertise, experience, etc) to carry out the responsibilities and addressing the objectives for which it has been set up by the Board. Also, there is clarity between the Board, Management and Committee w.r.t. the role played by the committee.

The information flow between your Company's Management and the Board is complete, timely with good quality and sufficient quantity.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company is engaged in infrastructure sector, as stated in the Schedule VI to the Companies Act, 2013. By virtue of the provisions of Section 186(11), the provisions of Section 186, read with the Companies (Meeting of the Board and its Powers) Rules, 2014, as amended from time to time, relating to loan made, guarantee given or security provided, do not apply to your Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

A Related Party Transactions Policy has been devised by your Company for determining the materiality of transactions with related parties and dealings with them. The said Policy is available on your Company's website, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

Related Party Transactions entered into during the Financial Year ended 31st March, 2018, were on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015 and were reviewed and approved by the Audit Committee of the Company.

Further, there are no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, during the year under review, which may have a potential conflict with the interest of the Company at large. Members may refer to the Notes to the Financial Statements for details of related party transactions.

Further, in terms of Regulation 23 of the SEBI Listing Regulations, 2015, the Board of Directors recommend to the Shareholders of your Company to confirm and approve related party transactions, being material in terms of the said Regulations, at the ensuing Annual General Meeting of the Company.

POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

Your Company has formulated a Policy for determining Material Subsidiaries in accordance with the applicable laws. The said Policy is available on your Company's website, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

As on March 31, 2018, Orissa Steel Expressway Private Limited (OSEPL) and Guruvayoor Infrastructure Private Limited (GIPL) are the Material Subsidiaries of your Company, as per Regulation 16(1)(c) of the SEBI Listing Regulations, 2015.

POLICY AGAINST SEXUAL HARASSMENT AT WORKPLACE

Your Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. Your Company in its endeavour to provide a safe and healthy work environment for all its employees has developed a policy to ensure zero tolerance towards verbal, physical, psychological conduct of a sexual nature

by any employee or stakeholder that directly or indirectly harasses, disrupts or interferes with another's work performance or creates an intimidating, offensive or hostile environment such that each employee can realize his/her maximum potential.

Your Company has put in place a 'Policy on Prevention of Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. The Policy is meant to sensitize the employees about their fundamental right to have a safe and healthy environment at workplace. As per the Policy, any employee may report his/her complaint to the Internal Complaint Committee constituted for this purpose. The said Policy is available on your Company's website, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

During the year under review, no cases of Sexual Harassment of Women were reported.

WHISTLE BLOWER POLICY (VIGIL MECHANISM)

Your Company has formulated a Whistle Blower Policy incorporating the provisions relating to Vigil Mechanism in terms of Section 177 of the Companies Act, 2013, and Regulation 22 of SEBI Listing Regulations, 2015 in order to encourage Directors and employees of your Company to escalate to the level of the Audit Committee, any issue of concerns impacting and compromising with the interest of your Company and its stakeholders in any way. Your Company is committed to adhere to highest standards of ethical, moral and legal business conduct and to open communication, and to provide necessary safeguards for protection of employees from reprisals or victimization, for whistle blowing in good faith.

The Company has also designated whistleblower@brnl.in, an e-mail ID for providing access to the employees of the Company to disclose any unethical and improper practice taking place in the Company for appropriate action and reporting. The said Policy is available on your Company's website, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the Financial Year 2017-18, no significant and material orders have been passed by regulators or courts or tribunals, impacting the going concern status and your Company's operations in future.

AUDITORS

At the Tenth Annual General Meeting (AGM) of your Company held on December 16, 2017, Messrs S.S. Kothari Mehta & Co., Chartered Accountants, having Registration No. 000756N, allotted by the Institute of Chartered Accountants of India (ICAI), were appointed as Statutory Auditors of your Company, to hold office for a term of 5 (five) years, from the conclusion of the 10th AGM till the conclusion of the 15th AGM of your Company, in accordance with Section 139 and other applicable provisions of the Companies Act, 2013, read with the Rules framed thereunder.

Further, pursuant to the provisions of the Companies (Amendment) Act, 2017, the requirement for ratification of the aforesaid Appointment of Statutory Auditors of the Company, by its Members, at every AGM, has been removed with effect from 7th May, 2018. Hence, ratification of aforesaid appointment every year till 15th AGM of your Company does not need to be placed before the shareholders.

AUDIT QUALIFICATIONS

There are no qualifications, reservations, adverse remarks or disclaimer made by M/s. S.S. Kothari Mehta & Co., Chartered Accountants, the Statutory Auditors of the Company, except Para titled "Emphasis Matter" in the Auditors' Report, which are self-explanatory and the same is detailed in Note 27.4 to the Financial Statements.

Further, the Statutory Auditors have not reported any incident of fraud, during the year under review, to the Audit Committee of your Company.

SECRETARIAL AUDIT

Your Company has appointed M/s. K Arun & Co, Practicing Company Secretary, as the Secretarial Auditor of the Company, for the Financial Year 2017-18, to conduct the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the Financial Year ended March 31, 2018 does not contain any qualification, reservation or adverse remark or disclaimer and has been set out as an Annexure to this Directors' Report.

EXTRACT OF THE ANNUAL RETURN

An extract of the Annual Return, as on the Financial Year ended March 31, 2018, in Form MGT-9, as required under Section 92(3) of the Companies Act, 2013, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, has been set out as an Annexure to this Directors' Report.

BRNL WEBSITE

The website of your Company, www.brnl.in, has been successfully running on the responsive technology based platform, known as 'Drupal', ensuring uniform display across all devices, like, mobile, tab, desktop, etc., and all the operating systems. The website has an inbuilt sophisticated and customized content management system for easy change in content. A simple, improved navigation system enables the users to access the requisite information from different sections of the website with lesser number of clicks. The contemporary and smart look of the new website conforms to your company's brand guideline, while taking a customer and investor centric approach catering to the requirements of prospective customers, investors, employees and other stakeholders.

The site carries a comprehensive database of information of interest to the investors, including the Financial Results of your Company, dividend declared, Shareholding Pattern, any price sensitive information disclosed to the Regulatory Authorities from time to time, investor presentations, corporate profile and business activities, including project details of your Company and the services rendered by your Company.

PARTICULARS OF EMPLOYEES

The prescribed particulars of remuneration of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5 the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, have been set out as an Annexure to this Directors' Report.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company has no activity relating to Conservation of Energy and Technology Absorption, as stipulated in Rule 8(3) of the Companies (Accounts) Rules, 2014. However, your Company uses information technology extensively in its operations and also continues its endeavour to improve energy conservation and utilization, safety and environment in operation of its Subsidiary and Associate Companies.

Your Company's operations are local and it has not earned and spent any foreign exchange during the year under review (Previous Year – Nil).

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(3) and 134(5) of the Companies Act, 2013 ('Act'), read with relevant Rules made thereunder, the Directors hereby confirm that:

- (i) in the preparation of the annual accounts for the Financial Year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the Financial Year and of the profit of your Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2018 on a going concern basis;

- (v) the Directors have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Further, your Directors confirm that your Company has adequate internal systems and controls in place to ensure compliance of laws applicable to your Company.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on the Board/ Committee Meetings and General Meetings.

INSIDER TRADING CODE

The Company has adopted a code of conduct to regulate, monitor and report trading by insiders (the Code) under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code is applicable to all Directors, Designated Employees and Insiders, who are expected to have access to Unpublished Prices Sensitive Information (UPSI). The Company Secretary is the Compliance Officer for monitoring adherence to the applicable Regulations.

CORPORATE GOVERNANCE

Your Company strives to achieve highest standards of Corporate Governance and to take necessary steps at appropriate times for enhancing and meeting stakeholders' expectations while complying with the mandatory provisions of Corporate Governance.

As required under Regulation 34(3) of the SEBI Listing Regulations, 2015, read with Schedule V thereto, a separate section on Corporate Governance and a Certificate from M/s. K. Arun & Co, Practicing Company Secretary, Kolkata, confirming compliance with the requirements of Corporate Governance, forms part of this Annual Report.

GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions w.r.t these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of sweat equity shares;
- Your Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees;
- There was no revision in the Financial Statements; and
- There was no change in the nature of business.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the excellent support and co-operation received from Financial Institutions, Bankers, National Highway Authority of India (NHAI), Ministry of Corporate Affairs, Registrar of Companies, EPC Partners and SPV Partners and other stakeholders during the year under review. Your Directors also place on record their deep appreciation for the valuable contribution made by the Company's employees and look forward to their continued cooperation in realization of motto of the Company, "Behtar Raste, Badhta Bharat", in the years to come, as a Key partner of "MAKE IN INDIA" plans.

On behalf of the Board of Directors
For **Bharat Road Network Limited**

Bajrang Kumar Choudhary
Place: Kolkata
Date: 29.05.2018
Managing Director
DIN: 00441872

Brahm Dutt
Chairman
DIN: 05308908

STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED MARCH 31, 2018

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Sl. No.	Name of the Director	**Remuneration (Rs.)	Median Remuneration of employees (Rs.)	Ratio (In times)
1.	*Mr. Bajrang Kumar Choudhary	13,986,448		10.9x
2.	Mr. Brahm Dutt	-		NA
3.	Mr. Pradeep Singh	-	1,275,272	NA
4.	Mr. Atanu Sen	-		NA
5.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	-		NA

*Mr. Bajrang Kumar Choudhary was appointed as a Managing Director of the Company w.e.f. 01.11.2016

**Remuneration excludes sitting fees

ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year:

Sl. No.	Name	Designation	*Remuneration of previous year (Rs.)	*Remuneration of Current year (Rs.)	% increase
1.	Mr. Bajrang Kumar Choudhary**	Managing Director	5,511,454	13,986,448	153.77
2.	Mr. Brahm Dutt	Chairman of the Board and Independent Director	-	-	NA
3.	Mr. Pradeep Singh	Independent Director	-	-	NA
4.	Mr. Atanu Sen	Independent Director	-	-	NA
5.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	Independent Director	-	-	NA
6.	Mr. Sanjay Banka#	Chief Financial Officer & Company Secretary	5,996,989	6,079,422	1.37
7.	Mr. Naresh Mathur^	Company Secretary	NA	1,111,541	NA

*Remuneration excludes sitting fees

**Mr. Bajrang Kumar Choudhary was appointed as a Managing Director of the Company w.e.f. 01.11.2016.

#Mr. Sanjay Banka resigned as the Company Secretary w.e.f. 16.12.2017

^Mr. Naresh Mathur was appointed as the Company Secretary w.e.f. 17.12.2017

iii. The percentage increase in the median remuneration of employees in the financial year:

Median remuneration of previous year (Rs.)	Median remuneration of current year (Rs.)	% increase
1,101,314	1,275,272	15.80

iv. The number of permanent employees on the rolls of Company:

There were 19 employees as on 31st March, 2018.

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Sl. No.	Particulars	Average % increase
1.	Increase in salary of Managerial Personnel	-
2.	Increase in salary of employee (other than Managerial Personnel)	-

vi. Affirmation that the remuneration is as per the remuneration policy of the Company:

Yes it is confirmed.

On behalf of the Board of Directors
For **Bharat Road Network Limited**

Place: Kolkata
Date: 29.05.2018

Bajrang Kumar Choudhary
Managing Director
DIN: 00441872

Brahm Dutt
Chairman
DIN: 05308908

PARTICULARS OF EMPLOYEES

Information as per Section 197(12) of the Companies Act, 2013 read with Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year ended 31st March, 2018

List of top ten employees of the Company in terms of remuneration drawn and names of every employee who was employed for throughout and part of the year and was in receipt of remuneration exceeding the limits laid down as per the Companies Act, 2013-

Sl. No.	Name	Age	Designation	Qualification	Remuneration (Rs.)	Date of commencement of employment	Working Experience (years)	Previous Employment	% of equity shares held by the employee in the Company
1.	Bajrang Kumar Choudhary	49	Managing Director	B. Com (Hons.), ACA	1,39,86,448	01.11.2016	23	Srei Infrastructure Finance Limited	0.01
2.	Arunava Sengupta	54	Chief Operating Officer	B.E. (Civil)	88,50,171	01.04.2017	32	Srei Infrastructure Finance Limited	-
3.	Asim Tewari	49	Chief Operating Officer	M. Tech (Project Management)	63,20,564	12.08.2013	27	Soma Isolux JV	-
4.	* Sanjay Banka	49	CFO & CS	FCA, FCS, MICA, MIMA	60,79,422	14.10.2015	25	Landmark Group, S.A.	-
5.	Partha Pratim Chaudhury	49	Head - Technical	B.E. (Civil)	49,40,260	01.11.2016	21	Srei Infrastructure Finance Limited	-
6.	Rajesh Sirohia	44	Head - Corporate Strategy and Investments	MBA	47,13,404	01.11.2016	21	Srei Infrastructure Finance Limited	0.00
7.	Rahul Dhandhania	40	Vice President	CA	27,70,129	01.11.2016	17	Srei Infrastructure Finance Limited	-
8.	Nikhil Jain	36	Associate Vice President	CA, PGDBM, LLB	22,88,465	01.04.2014	14	Era Infrastructure India Limited	-
9.	Shailendra Singh	51	General Manager - Administration	B.A.	20,20,610	01.06.2016	30	Tollygunge Club	-
10.	Sanjay Mittal	38	Associate Vice President	CA	19,09,585	01.11.2016	15	Srei Infrastructure Finance Limited	-

* Mr. Sanjay Banka resigned as Company Secretary w.e.f. 16th December, 2017.

Note:

- The aforesaid appointment is contractual and in accordance with the terms and conditions as per Company's rules and policies.
- Remuneration includes Basic Salary, HRA, Special Allowance, Super Annuation Allowance, Conveyance allowance, Ex-gratia, LTA, Medical, Leave Encashment, Employer's contribution to Provident Fund, Employer's contribution to NPS, Incentive and other Perquisites.
- No Employee is a relative of any Director of the Company.

On behalf of the Board of Directors
For **Bharat Road Network Limited**

Place: Kolkata
Date: 29.05.2018

Bajrang Kumar Choudhary
Managing Director
DIN: 00441872

Brahm Dutt
Chairman
DIN: 05308908

CERTIFICATION BY MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER

[Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors

Bharat Road Network Limited

5B, North East Block, Vishwakarma Building,
86C, Topsia Road (South), Kolkata – 700 046

We, Bajrang Kumar Choudhary, Managing Director (MD) and Sanjay Banka, Chief Financial Officer (CFO) of Bharat Road Network Limited, certify to the Board that we have reviewed the Financial Statements and the Cash Flow Statement of the Company for the Financial Year ended on 31st March, 2018 and to the best of our knowledge and belief, we certify that –

1. The Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; that the Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are no fraudulent or illegal transactions and transactions violative of the Company's Code of Conduct.
3. For the purposes of financial reporting, we accept the responsibility for establishing and maintaining the internal controls which are monitored by the Company's Internal Audit Team and have evaluated based on feedbacks received from the Company's Internal Audit Team, the effectiveness of the internal control systems of the Company pertaining to financial reporting and have reported to the Auditors and the Audit Committee, the deficiencies, if any, in the operation and design of such internal controls and the steps taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - i. significant changes, if any, in the internal controls over financial reporting during the year;
 - ii. significant changes, if any, in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
 - iii. that there have been no instances of significant fraud, of which we have become aware and consequently no involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Bajrang Kumar Choudhary

Managing Director (MD)

DIN: 00441872

Sanjay Banka

Chief Financial Officer (CFO)

ICAI Membership No.: 056399

AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
Bharat Road Network Limited

We have examined the compliance of conditions of Corporate Governance by Bharat Road Network Limited ('the Company') for the year ended 31st March 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the year ended on March 31, 2018.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **K. Arun & Co.**
Company Secretaries

Arun Kumar Khandelia
Partner
C.P. No.: 2270

Place: Kolkata
Date: 29.05.2018

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2017-18

[Pursuant to Section 135 of Companies Act, 2013 read with Rule 8 of the Companies
(Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:

The Board of Directors of the Company adopted the CSR Policy on 17th October, 2016 in compliance with the provisions of Section 135 of the Companies Act, 2013. The CSR philosophy of BRNL is embedded in its commitment to all stakeholders including its shareholders, customers, employees and society. Our approach by practicing service to humanity has enabled us to continue fulfilling our commitment to be a socially responsible Corporate Citizen. Our objective is to manage our business in a way which produces a positive impact on the economy, society and environment.

During the Financial Year 2017-18, the Company initiated contribution for promoting education and plans to increase such activities in coming years through such projects and programs in line with the CSR Policy.

The Company has framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is:

<http://www.brnl.in/sites/default/files/report/10.%20Corporate%20Social%20Responsibility%20Policy.pdf>

2. The Composition of the CSR Committee:

Committee Members:

- Dr. (Ms.) Tuk Tuk Ghosh Kumar (Independent Director and Chairperson)
- Mr. Atanu Sen (Independent Director and Member)
- Mr. Bajrang Kumar Choudhary (Managing Director and Member)

Secretary to the CSR Committee

- Mr. Naresh Mathur (Company Secretary)

3. Average Net Profit of the Company for last three Financial Years: Rs. 61.39 Lacs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 1.22 Lacs

5. Details of CSR spent during the Financial Year:

- a. Total amount to be spent for the Financial Year: The Company has spent Rs. 5 Lacs as approved by the CSR Committee at the meeting held on 2nd November, 2017 against the mandated requirement of Rs. 1.22 Lacs.
- b. Amount unspent, if any: Nil
- c. Manner in which the amount spent during the Financial Year is detailed below:

(Amount in Rs.)							
(1) Sl. No.	(2) CSR Project or activity identified	(3) Sector in which the project is covered	(4) Projects or Programs (1) Local area or other (2) Specify the State and District where project or program was undertaken	(5) Amount outlay (budget) project or program- wise (Rs)	(6) Amount spent on the projects or programs: Subheads (1) Direct expenditure on projects or programs (2) Overheads:	(7) Cumulative expenditure up to the reporting period	(8) Amount spent: Direct or through implementing agency
1	Clause (ii) of Schedule VII to the Companies Act, 2013	Promoting Education	Kolkata, West Bengal	5,00,000	5,00,000	5,00,000	Implementing Agency - Srei Foundation
TOTAL				5,00,000	5,00,000	5,00,000	

Details of Implementing Agency:

Srei Foundation is a Public Charitable Trust established with the objective of serving the humanity, inter alia, through promotion of education, health, housing, socio-economic support and awakening of women, free holistic treatment and assistance to various NGOs in their respective fields. Srei Foundation has an established track record of more than 3 (three) years in undertaking such projects and programs.

6. Reasons for not spending the two per cent of the average Net Profit of the last three Financial Years:

Not Applicable

7. Responsibility Statement of the CSR Committee:

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

On behalf of the Corporate Social Responsibility Committee

Tuk Tuk Ghosh Kumar

Chairperson, CSR Committee

- Independent Director

DIN – 06547361

Bajrang Kumar Choudhary

Managing Director

DIN – 00441872

Place: Kolkata

Date: 29.05.2018

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST DAY OF MARCH, 2018

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

**To,
The Members,
Bharat Road Network Limited,
CIN: L45203WB2006PLC112235**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bharat Road Network Limited (hereinafter called "the Company"). The Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended 31st March, 2018 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- VI. We came to a conclusion that the following laws are directly/ indirectly applicable with regard to business activities of the Company during the period under review:
 - (a) Land Acquisition Act, 1894
 - (b) National Highways Act, 1956 and National Highways Act, 1988 & all other acts enacted for the Highways.

We have also examined the compliance by the Company of the following statutory provisions/standards/regulations:

- i. The uniform Listing Agreements entered into by the Company, with BSE Limited & National Stock Exchange of India Ltd.
- ii. The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iii. The Secretarial Standards (SS - 1 and SS - 2) issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Independent Directors and a Woman Director.

Adequate Notice is given to all Directors to schedule the Board/Committee Meetings. Information and circulation of the agenda with detailed information thereof, convening of meetings was done in compliance with the applicable laws, rules, regulations and guidelines, etc. A system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meetings.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the period under review:

- i. The Company came up with Initial Public Offering (IPO) for 29,300,000 Equity Shares during the month of September, 2017.
- ii. The Shares of the Company got listed with the BSE Limited and National Stock Exchange of India Ltd. on 18th September, 2017.
- iii. As per Section 96 of the Companies Act, 2013, the Company has obtained the approval from Registrar of Companies - West Bengal via letter dated 25th September, 2017 for extension of time by a period of 3 (three) months, i.e. up to 31st December, 2017 for holding the 10th Annual General Meeting (AGM) of the Company for the Financial Year ended 31st March, 2017 and the same has been duly held on 16th December, 2017.
- iv. Object Clause of the Memorandum of Association of the Company has been altered at the Annual General Meeting of the Company held on 16th December, 2017 as per the provisions of the Act.
- v. The Company has increased the limits specified under Section 186 of the Companies Act, 2013 from Rs. 1000 crore to Rs. 2500 crore by passing a special resolution on 27.12.17 through postal ballot.
- vi. Mr. Sanjay Banka resigned from the position of Company Secretary and Compliance Officer of the Company w.e.f. 16th December, 2017 and Mr. Naresh Mathur was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 17th December, 2017.

For **K. Arun & Co.**
Company Secretaries

Arun Kumar Khandelia
Partner
C.P. No.: 2270

Place: Kolkata
Date: 29.05.2018

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L45203WB2006PLC112235
ii)	Registration Date	22nd December, 2006
iii)	Name of the Company	Bharat Road Network Limited
iv)	Category / Sub-Category of the Company	Public Company Limited by Shares Non-Govt. Company
v)	Address of the Registered Office and Contact Details*	5B, North-East Block, Vishwakarma Building, 86C, Topsia Road (South), Kolkata – 700 046 Tel. No.: 033 66023609 Fax No: 033 66023243
vi)	Whether Listed Company (Yes / No)	Yes**
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 E-mail ID: einward.ris@karvy.com Tel. No.: 040 6716 1500, 1800 345 4001 Fax No.: 040 2342 0814

*Registered Office of the Company has been shifted from "Mirania Gardens, 10B/1, Topsia Road (East), Kolkata - 700 046" to "5B, North-East Block, Vishwakarma Building, 86C, Topsia Road (South), Kolkata - 700 046" w.e.f. 2nd November, 2017.

**The Company got its Equity Shares listed on BSE Limited and the National Stock Exchange of India Limited w.e.f. September 18, 2017.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business activities contributing 10% or more of the Total Turnover of the Company are -

Sl. No.	Name and Description of Main Products / Services	NIC Code of the Product / Service	% to Total Turnover of the Company
1.	Management Consultancy Activities, Debt Syndication Services and Project Management Consultancy etc.	70200, 71100	52%
2.	Interest and other Revenues from Investment Assets and Funds Invested.	64300	48%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section of the Companies Act, 2013
1.	Solapur Tollways Private Limited 5B, North-East Block, Vishwakarma Building, 86C, Topsia Road (South), Kolkata - 700046	U45400WB2012PTC174135	Subsidiary	99.02	2(87)
2.	Orissa Steel Expressway Private Limited Plot No. 593, Pahal, Via Phulnakhra, Mouza-Banguari, NH 5, Opp. HPCL Petrol Pump, Bhubaneswar Khordha - 754001	U45400OR2010PTC014681	Subsidiary	59.38	2(87)
3.	Guruvayoor Infrastructure Private Limited Door No. 1-80/40/SP/58-65, Shilpa Homes Layout, Gachibowli, Hyderabad – 500032	U45200TG2005PTC048180	Subsidiary	73.98	2(87)
4.	Kurukshetra Expressway Private Limited Toll Plaza Gangaicha Jaat, NH-71 Village Gangaicha Jaat, Mastapur Post Office Rewari -123401	U45400HR2010PTC040303	Associate	49.00*	2(6)
5.	Ghaziabad Aligarh Expressway Private Limited A1-157 & 158, 2nd Floor, New Kondli, Mayur Vihar, Phase-III, New Delhi East- 110096	U70101DL2009PTC197148	Associate	39.00	2(6)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section of the Companies Act, 2013
6	Shree Jagannath Expressways Private Limited Simplex Infrastructures Limited, Simplex House, 27, Shakespeare Sarani, Kolkata - 700017	U45203WB2010PTC150429	Associate	40.00	2(6)
7.	Mahakaleshwar Tollways Private Limited Ninora Toll Plaza, Ninora, Ujjain - 456006	U45203MP2008PTC021157	Associate	48.00	2(6)

*The Company has acquired 13.11% in the paid-up Equity Share Capital of Kurukshetra Expressway Private Limited vide Shares Purchase Agreement dated October 27, 2016, which is pending for transfer. Post the said transfer, the total shareholding of the Company in Kurukshetra Expressway Private Limited will stand at 49%.

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s).	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	9520000	-	9520000	17.42	9520000	-	9520000	11.34	(6.08)
e) Banks / FI	16630000	-	16630000	30.43	16630000	-	16630000	19.81	(10.62)
f) Any Other - Venture Capital Funds	28499800	-	28499800	52.14	28499800	-	28499800	33.95	(18.19)
Sub-total (A)(1):-	54649800	-	54649800	99.99	54649800	-	54649800	65.10	(34.89)
(2) Foreign									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2) -	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	54649800	-	54649800	99.99	54649800	-	54649800	65.10	(34.89)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	554363	-	554363	0.66	0.66
b) Banks / FI	-	-	-	-	2092237	-	2092237	2.49	2.49
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others - Foreign Portfolio Investors	-	-	-	-	11001	-	11001	0.01	0.01
Sub-total (B)(1):-	-	-	-	-	2657601	-	2657601	3.17	3.17
2. Non-Institutions									
a) Bodies Corporate	-	-	-	-	22247897	-	22247897	26.50	26.50
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal Share capital up to Rs. 1 Lakhs	-	200	200	0.00	1118447	-	1118447	1.33	1.33
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakhs	-	-	-	-	2193304	-	2193304	2.61	2.61
c) Others									
Clearing Members	-	-	-	-	522733	-	522733	0.62	0.62
Directors	-	-	-	-	9589	-	9589	0.01	0.01
NBFCs	-	-	-	-	537073	-	537073	0.64	0.64
Non-Resident Indians	-	-	-	-	12543	-	12543	0.01	0.01
Non-Resident Indian Non Repatriable	-	-	-	-	1013	-	1013	0.00	0.00
Sub-total (B)(2):-	-	200	200	0.00	26642599	-	26642599	31.74	31.74
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	200	200	0.00	29300200	-	29300200	34.90	34.90
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	5,46,49,800	200	5,46,50,000	100.00	83950000	-	83950000	100.00	0.00

ii) Shareholding of Promoters –

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to Total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to Total shares	
1.	Srei Infrastructure Finance Limited	16630000	30.43	Nil	16630000	19.81	Nil	(10.62)
2.	Manufacturing Value Addition Fund A/c Make In India Fund	500000	0.91	Nil	500000	0.60	Nil	(0.31)
3.	OSPL Infradeal Private Limited	9520000	17.42	Nil	9520000	11.34	Nil	(6.08)
4.	Srei Venture Capital Trust A/c - Infrastructure Project Development Fund (IPDF)	7049800	12.90	0.09	7049800	8.40	0.06	(4.50)
5.	Srei Venture Capital Trust A/c - Infrastructure Project Development Capital (IPDC)	20950000	38.33	18.21	20950000	24.96	11.85	(13.38)
	Total:	54649800	99.99	18.30	54649800	65.10	11.91	(34.89)

iii) Change in Promoters' Shareholding*-

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	Srei Infrastructure Finance Limited				
	At the beginning of the year	16630000	30.43		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No Changes in the number of shares during the year			
	At the end of the year			16630000	19.81
2.	Manufacturing Value Addition Fund A/c - Make In India Fund				
	At the beginning of the year	500000	0.91		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No Changes in the number of shares during the year			
	At the end of the year			5,00,000	0.60
3.	Srei Venture Capital Trust A/c - Infrastructure Project Development Fund (IPDF)				
	At the beginning of the year	7049800	12.90		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No Changes in the number of shares during the year			
	At the End of the year			7049800	8.40
4.	Srei Venture Capital Trust A/c -Infrastructure Project Development Capital (IPDC)				
	At the beginning of the year	20950000	38.33		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.):	No Changes in the number of shares during the year			
	At the End of the year			20950000	24.96
5.	OSPL Infradeal Private Limited				
	At the beginning of the year	9520000	17.42		

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.):	No Changes in the number of shares during the year			
	At the end of the year			9520000	11.34

*There is no change in number of shares held by the promoter and promoter group at the beginning and at the end of the year. However, Initial Public Offer (IPO) of Equity Shares in September, 2017 and subsequent allotment of shares to the public resulted in increase in the Paid-up Share Capital of the Company as a result of which, the percentage of promoter's shareholding got diluted as per the revised Paid-up Share Capital of the Company.

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	Vistar Financiers Pvt Ltd				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				-
	Date Reason				
	30.03.2018 Purchase	6384806	-	6384806	
	At the End of the year (or on the date of separation, if separated during the year)			6384806	7.61
2.	AUM Capital Market Pvt. Ltd				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	Date Reason				
	22.09.2017 Purchase	4062207		4062207	
	29.09.2017 Sale	(225211)		3836996	
	06.10.2017 Purchase	1722		3838718	
	06.10.2017 Sale	(49918)		3788800	
	13.10.2017 Purchase	31000		3819800	
	13.10.2017 Sale	(1722)		3188078	
	31.10.2017 Purchase	336222		4154300	
	03.11.2017 Sale	(336022)		3818278	
	10.11.2017 Purchase	1506331		5324609	
	17.11.2017 Purchase	1150		5325759	
	17.11.2017 Sale	(1506531)		3819228	
	24.11.2017 Sale	(1150)		3818078	
	01.12.2017 Purchase	430340		4248418	
	08.12.2017 Sale	(430240)		3818178	
	15.12.2017 Sale	(50)		3818128	
	22.12.2017 Purchase	6981		3825109	
	29.12.2017 Purchase	62400		3887509	
	29.12.2017 Sale	2581		3884928	
	05.01.2018 Purchase	4634		3889562	
	12.01.2018 Sale	(41584)		3847978	
	19.01.2018 Purchase	50000		3897978	
	02.02.2018 Purchase	2100		3900078	
	09.02.2018 Purchase	19452		3919530	
	09.02.2018 Sale	(100)		3919430	
	16.02.2018 Purchase	11461		3930891	
	23.02.2018 Purchase	22100		3952991	
	02.03.2018 Purchase	14959		3967950	

Sl. No.	Name of the shareholder		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	02.03.2018	Sale	(724)		3967226	
	09.03.2018	Purchase	17100		3984326	
	16.03.2018	Sale	(73005)		3911321	
	23.03.2018	Purchase	28005		3939326	
	30.03.2018	Purchase	488977		4428303	
	30.03.2018	Sale	(466550)		3961753	
	31.03.2018	Purchase	150000		4111753	
	At the End of the year (or on the date of separation, if separated during the year)				4111753	4.90
3.	GMR Enterprises Private Limited					
	At the beginning of the year		-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):					
	Date	Reason				
	15.09.2017	Purchase	3130872		3130872	
	17.11.2017	Purchase	537000		3667872	
	At the End of the year (or on the date of separation, if separated during the year)				3667872	4.37
4.	Badjate Stock Broking Private Ltd					
	At the beginning of the year		-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):					
	Date	Reason				
	13.10.2017	Purchase	1150000		1150000	
	03.11.2017	Sale	(700000)		450000	
	17.11.2017	Sale	(450000)		0	
	08.12.2017	Purchase	1300000		1300000	
	02.02.2018	Purchase	200000		1500000	
	16.02.2018	Purchase	400000		1900000	
	09.03.2018	Purchase	400000		2300000	
	At the End of the year (or on the date of separation, if separated during the year)				2300000	2.74
5.	Placid Limited					
	At the beginning of the year		-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):					
	Date	Reason				
	15.09.2017	Purchase	1669607		1669607	
	At the End of the year (or on the date of separation, if separated during the year)				1669607	1.99
6.	The Lakshmi Vilas Bank Limited					
	At the beginning of the year		-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):					
	Date	Reason				
	08.12.2017	Purchase	889000		889000	
	15.12.2017	Purchase	168398		1057398	
	22.12.2017	Purchase	150102		1207500	
	29.12.2017	Purchase	25000		1232500	
	At the End of the year (or on the date of separation, if separated during the year)				1232500	1.47

Sl. No.	Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
7.	Adventz Investment Company Private Limited				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	Date Reason 22.09.2017 Purchase	1169600		1169600	
	At the End of the year (or on the date of separation, if separated during the year)			1169600	1.39
8.	Adventz Securities Enterprises Limited				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	Date Reason 22.09.2017 Purchase	1156600		1156600	
	At the End of the year (or on the date of separation, if separated during the year)			1156600	1.38
9.	Axis Bank Limited				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	Date Reason 15.09.2017 Purchase 10.11.2017 Purchase 17.11.2017 Sale 24.11.2017 Sale 01.12.2017 Sale 08.12.2017 Sale 22.12.2017 Purchase 29.12.2017 Sale 19.01.2018 Purchase 26.01.2018 Sale 02.02.2018 Sale 09.02.2018 Purchase 02.03.2018 Sale 23.03.2018 Purchase 30.03.2018 Sale	855731 3055 (720) (192) (1) (2142) 2043 (1643) 1425 (290) (246) 27 (299) 326 (566)		855731 858786 858066 857874 857873 855731 857774 856131 857556 857266 857020 857047 856748 857074 856508	
	At the End of the year (or on the date of separation, if separated during the year)			856508	1.02
10.	GMR Business And Consultancy LLP				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	Date Reason 17.11.2017 Purchase	815000		815000	
	At the End of the year (or on the date of separation, if separated during the year)			815000	0.97

Sl. No.	Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
11.	* Rajesh Sirohia				
	At the beginning of the year	100	0.00		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No Change during the year			
	At the End of the year (or on the date of separation, if separated during the year)			100	0.00

* Top 10 Shareholders only on 01.04.2017

v) Shareholding of Directors & Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Directors					
1.	Mr. Bajrang Kumar Choudhary				
	At the beginning of the year	100	0.00		
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer /bonus/ sweat equity etc.)				
	Date Reason				
	14/09/2017 Allotted under IPO	9489		9589	0.01
	At the end of the year	-	-	9589	0.01
2.	Mr. Brahm Dutt				
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer /bonus/ sweat equity etc.)			-	
	At the end of the year	-	-	-	-
3.	Mr. Atanu Sen				
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer /bonus/ sweat equity etc.)			-	
	At the end of the year	-	-	-	-
4.	Mr. Pradeep Singh				
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer /bonus/ sweat equity etc.)			-	
	At the end of the year	-	-	-	-
5.	Dr. (Ms.) Tuk Tuk Ghosh Kumar				
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer /bonus/ sweat equity etc.)			-	
	At the end of the year	-	-	-	-

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Key Managerial Personnel					
1.	Mr. Bajrang Kumar Choudhary – Managing Director				
	At the beginning of the year	100	0.00		
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer /bonus/ sweat equity etc.)				
	Date Reason 14/09/2017 Allotted under IPO	9489		9589	0.01
	At the end of the year	-	-	9589	0.01
2.	*Mr. Sanjay Banka – Chief Financial Officer and Company Secretary				
	At the beginning of the year	-	-		
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer /bonus/ sweat equity etc.)				
	Date Reason 14/09/2017 Allotted under IPO			73	0.00
	At the end of the year	-	-	73	0.00
3.	**Mr. Naresh Mathur – Company Secretary				
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer /bonus/ sweat equity etc.)			-	
	At the end of the year	-	-	-	-

*Mr. Sanjay Banka resigned from the position of Company Secretary, w.e.f. 16th December, 2017. However, he continued to be the Chief Financial Officer of the Company.

**Mr. Naresh Mathur has been appointed as the Company Secretary of the Company, w.e.f. 17th December, 2017.

V. INDEBTEDNESS

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

(Amount in Rs.)

	Secured Loans (Excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2017)				
i) Principal Amount	969,528,294	530,000,000	-	1,499,528,294
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	9,595,214	2,827,235	-	12,422,449
Total (i+ii+iii)	979,123,508	532,827,235	-	1,511,950,743
Change in Indebtedness during the financial year				
• Addition – Principal	617,300,000	-	-	617,300,000
Interest	24,367,835	63,801,918	-	88,169,753
• Reduction – Principal	756,828,294	30,000,000	-	786,828,294
Interest	33,920,515	49,985,315	-	83,905,830
Net Change	(149,080,974)	13,816,603	-	1,576,203,877

(Amount in Rs.)

Indebtedness at the end of the financial year (31.03.2018)

i) Principal Amount	830,000,000	500,000,000	-	1,330,000,000
ii) Interest due but not paid	-	16,643,838	-	16,643,838
iii) Interest accrued but not due	42,534	-	-	42,534
Total (i+ii+iii)	830,042,534	516,643,838	-	1,346,686,372

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director -**

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Managing Director (MD)	Total Amount
		Bajrang Kumar Choudhary	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,803,055	12,803,055
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	39,600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others, specify		
5.	Others, please specify	-	-
	Total (A)	12,842,655	12,842,655
	Ceiling as per the Companies Act, 2013	1,68,00,000	-

Note: The remuneration details in the above table are on payment basis as per the Income Tax Act, 1961 and not on accrual basis as disclosed elsewhere in the Annual Report.

B. Remuneration to Other Directors:

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Brahm Dutt	Mr. Pradeep Singh	Mr. Atanu Sen	Dr. (Ms.) Tuk Tuk Ghosh Kumar	
1.	Independent Directors					
	• Fee for attending board / committee meetings	5,00,000	3,30,000	5,05,000	3,40,000	16,75,000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	5,00,000	3,30,000	5,05,000	3,40,000	16,75,000
2.	Other Non-Executive Directors	-	-	-	-	-
	• Fee for attending board / committee meetings					
	• Commission					
	• Others, please specify					
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	5,00,000	3,30,000	5,05,000	3,40,000	16,75,000
	*Total Managerial Remuneration (A+B)	1,28,42,655				
	Overall Ceiling as per the Companies Act, 2013					

*Excludes Sitting Fees

C. Remuneration to Key Managerial Personnel other than MD/Manager/WT D –

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer & Company Secretary* (Mr. Sanjay Banka)	Company Secretary** (Mr. Naresh Mathur)	Total
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	56,32,663	8,27,668	64,60,331
	(b) Value of perquisites under Section 17(2) Income-tax Act, 1961	32,400	10,800	43,200
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total	56,65,063	8,38,468	65,03,531

*Mr. Sanjay Banka resigned from the position of Company Secretary, w.e.f. 16th December, 2017. However, he continued to be the Chief Financial Officer of the Company.

**Mr. Naresh Mathur has been appointed as the Company Secretary of the Company, w.e.f. 17th December, 2017. His remuneration pertains to the period from 17th December, 2017 to 31st March, 2018.

Note: The remuneration details in the above table are on payment basis as per the Income Tax Act, 1961 and not on accrual basis as disclosed elsewhere in the Annual Report.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers in Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

On behalf of the Board of Directors
For Bharat Road Network Limited

Place: Kolkata
Date: 29.05.2018

Bajrang Kumar Choudhary
Managing Director
DIN: 00441872

Brahm Dutt
Chairman
DIN: 05308908

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of an organization. Good Corporate Governance leads to long term shareholders value and enhances interest of other stakeholders.

Bharat Road Network Limited ("BRNL") believes that any meaningful policy on Corporate Governance must empower the Executive Management of the Company. At the same time, Governance must create a mechanism of checks and balances to ensure that the decision-making powers vested in the Executive Management are used with care and responsibility to meet stakeholders' aspirations and societal expectations. The Company is committed to achieve the good standards of Corporate Governance on a continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate cultures which aim at a true Corporate Governance.

BRNL understands and respects its fiduciary and trusteeship role and responsibility to its stakeholders and strives hard to meet their expectations. BRNL believes that Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

Your Company's Equity Shares got listed on two Stock Exchanges in India, namely, BSE Limited and National Stock Exchange of India Limited w.e.f. 18th September, 2017. Your Company strives to achieve highest standards of Corporate Governance and take necessary steps at appropriate times for enhancing and meeting stakeholders' expectations while complying with the mandatory provisions of Corporate Governance. With this belief, your Company has complied with the Corporate Governance requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015").

In accordance with the SEBI Listing Regulations, 2015, requisite details are as under:

Company's philosophy on Code of Governance

The philosophy of your Company in relation to Corporate Governance is to achieve and maintain the highest standard of Corporate Governance through implementation of the following objectives:

1. To protect and facilitate the shareholders to exercise their rights;
2. To provide adequate and timely information to all the stakeholders;
3. To ensure equitable treatment to all shareholders;
4. To enhance the stakeholders' value with strong emphasis on transparency, accountability and integrity, via optimum

utilisation of the resources and ethical behaviour of the enterprise; and

5. To ensure timely and accurate disclosure on all matters including financial situation, performance, ownership and governance of the Company.

There is a clear demarcation of duties and responsibilities among the Chairman, Managing Director, Company Secretary, Chief Financial Officer and other Senior Managerial Personnel, to ensure best corporate performance and socio-economic value creation.

Board of Directors:

• Composition:

The Board has a strength of 5 (five) Directors as on 31st March, 2018. The Board comprises of optimum combination of Executive, Non-Executive and Independent Directors, including a Woman Director, with more than 50 (fifty) per cent of the Board comprising of Non-Executive, Independent Directors. Our Board has an Independent Chairperson and in compliance with the requirements of the SEBI Listing Regulations, 2015, more than 1/3rd of our Board comprises of Independent Directors. We have 1 (one) Executive Director and 4 (four) Independent Directors on our Board, of which 1 (one) is a Woman Director.

The Company recognizes and embraces the benefits of having a diverse Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the businesses of the Company. The Company sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. The Company has framed a Policy on Board Diversity which sets out the approach to diversity on the Board of Directors of the Company.

During the year, a majority of the Board comprised of Independent Directors. Independent Directors play a crucial role in imparting balance to the Board processes by bringing independent judgment on issues of strategy, performance, resources, technology, finance, standards of the Company, conduct, etc.

In compliance of the SEBI Listing Regulations, 2015:

- (a) *None of the Director is a member of more than ten (10) Board Level Committees nor are they Chairperson of more than five (5) Committees in which they are members across all the listed entities where they are directors;
- (b) None of the Independent Director serves as an Independent Director in more than 7 listed companies; and

- (c) The Whole time Director is not serving as an Independent Director in more than three listed companies.

**For assessment of these criteria, the membership/chairmanship of the Audit Committee and the Stakeholders' Relationship Committee alone has been considered and the limit of the committees on which a director may serve in all public limited companies (including deemed public companies), whether listed or not, has been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 has been excluded.*

Further, in compliance with Section 165 of the Companies Act, 2013, none of the Directors on the Board hold directorship in more than Twenty (20) companies at the same time with the directorship in public companies not exceeding Ten (10). All the Directors have made necessary disclosures regarding directorship/ committee positions occupied by them in other listed entities / public limited companies (whether listed or not) in accordance with Regulations 25 and 26 of the SEBI Listing Regulations, 2015 and the Companies Act, 2013.

The Composition of the Board of Directors as on March 31, 2018 is in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations, 2015. The details of the Board of Directors as on March 31, 2018 are as under:

Sl. No.	Directors	DIN	Category
1.	Mr. Brahm Dutt	05308908	Chairman, Independent Director
2.	Mr. Bajrang Kumar Choudhary	00441872	Managing Director
3.	Mr. Pradeep Singh	00304825	Independent Director
4.	Mr. Atanu Sen	05339535	Independent Director
5.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	06547361	Independent (Woman) Director

None of the Directors of the Company are related to any other Director on the Board.

None of the Non- Executive Directors of the Company hold any shares or other convertible instruments in the Company.

The Company has taken an Annual Directors' and Officers' Liability Insurance Policy for an amount of Rs. 15,00,00,000/- (Rupees Fifteen Crore only) in order to safeguard and protect the interests of the Directors from any contingent liabilities.

Shareholding of Directors & Key Managerial Personnel (KMP)

Mr. Bajrang Kumar Choudhary, Managing Director holds 9,589 shares in the Company as on March 31, 2018. None of the other Directors hold any Equity Shares in the Company.

As on 31st March, 2018, Mr. Bajrang Kumar Choudhary, Managing Director (MD), Mr. Sanjay Banka, Chief Financial Officer (CFO) and Mr. Naresh Mathur, Company Secretary (CS), are the Whole-time Key Managerial Personnel (KMP) of the Company, in accordance with Section 203 of the Companies Act, 2013.

Sanjay Banka-HUF holds 73 Equity Shares in the Company. Mr. Sanjay Banka, Chief Financial Officer of the Company, is the Karta of the said HUF.

Appointment of Directors

The Board has formulated the Nomination and Remuneration Policy for Directors, Key Managerial Personnel (KMP) and other employees in terms of the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. The said Policy outlines the appointment criteria and qualifications, the term/tenure of the Directors on the Board of the Company and the matters related to their remuneration. The link to the said Policy has been provided elsewhere in this Annual Report.

Succession Plan

The Company recognizes the importance of effective executive leadership to its success and has initiated requisite steps to put

in place a Succession Plan for appointments to the Board and to the Senior Management. The Nomination and Remuneration Committee of the Company is entrusted with the responsibility to oversee succession planning for the Board and the Senior Management.

Responsibilities

The Board looks at strategic planning and policy formulation. The Managing Director is responsible for corporate strategy, planning, external contacts and Board matters. The Senior Management Personnel heading respective divisions are responsible for all day-to-day operational issues, profitability, productivity, recruitment and employee retention for their divisions.

Independent Directors (IDs)

As on 31st March, 2018, the Company has 4 (four) Independent Directors on its Board out of the total strength of 5 (five) Directors.

All the Independent Directors of the Company furnish a declaration at the time of their appointment and also, annually, that they qualify the tests of their being independent as laid down under Section 149(6) of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. All requisite declarations, as received from Independent Directors, were duly placed before the Board.

Meeting of Independent Directors (IDs)

The Independent Directors (IDs) met on 26th April, 2017 without the presence of the other members on the Board of Directors and the Management Team. The Meeting was attended by all the IDs and enabled them to discuss various matters pertaining to the Company's affairs and thereafter, they put forth their combined views to the Board. The IDs reviewed the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform its duties. The IDs also evaluated the performance of Chairperson, Non Independent Director and Board as a whole.

Familiarization Programmes for IDs

In terms of Regulation 25(7) of the SEBI Listing Regulations, 2015, the Company is required to conduct Familiarisation Programme for its IDs to familiarise them about the Company, including nature of industry in which the Company operates, business model of the Company, roles, rights and responsibilities of IDs and any other relevant information. Further, pursuant to Regulation 46 of SEBI Listing Regulations, 2015, the Company is required to disseminate on its website, details of familiarization programme imparted to IDs, including the details of (i) number of programmes attended by IDs (during the year and on a cumulative basis till date), (ii) number of hours spent by IDs in such programmes (during the year and on a cumulative basis till date), and (iii) other relevant details.

The familiarization programmes conducted for the IDs are in line with the Policy adopted by the Board of Directors in connection thereof. Members of the Board have complete access to the information within the Company and IDs get an opportunity to interact with Officials of the Management. The Management provides information as detailed in the Familiarization Policy for the IDs either at the Board Meeting(s) or Committee Meeting(s) or otherwise. IDs have the freedom to interact with the Company's Management. They are given all documents sought by them for enabling a good understanding of the Company, its various operations and industry segments of which it is a part.

Further, the Management of your Company makes various presentations to the IDs on an ongoing basis which, inter alia, includes Company overview, various business verticals, latest key business highlights, financial statements, evolution as well as business model of the various business of your Company, as part of the familiarisation programme for IDs.

The Company Secretary also regularly apprises the Board Members about their roles, rights and responsibilities in your Company, from time to time, as per the requirements of the SEBI Listing Regulations, 2015, Companies Act, 2013, read together with the Rules and Schedules thereunder and other relevant laws.

The link to the details of familiarization programmes imparted to IDs, as required under Regulation 46 of SEBI Listing Regulations, 2015, has been provided elsewhere in this Annual Report.

Meetings

7 (Seven) Meetings of the Board of Directors of the Company were held during the Financial Year 2017-18 on 26th April, 2017, 21st August, 2017, 14th September, 2017, 5th October, 2017, 2nd November, 2017, 16th December, 2017, and 14th February, 2018.

The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days.

The Board meets at least once in a quarter to review the business performance and other items of the agenda. Whenever necessary, additional meetings are held. In case of business exigencies or urgency of matters, resolutions are passed by circulation. Meetings are governed by structured agenda and all major agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

The Agenda papers, along with the explanatory notes, for Board Meetings are circulated well in advance to the Directors. In some instances, documents are tabled at the Meetings and presentations are also made by the respective executives on the matters related to them at the Board Meetings. Every Board Member is free to suggest items for inclusion in the Agenda.

Further, in compliance with the Secretarial Standard – 1 on 'Meetings of the Board of Directors' (SS-1) issued by the Institute of Company Secretaries of India (ICSI), any item not included in the Agenda is taken up for consideration before the Board with the permission of the Chairman and with the consent of majority of Directors present at the Meeting.

Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings. The Company Secretary records minutes of proceedings of each Board and Committee Meeting. Draft minutes are circulated to the Board/Committee members within 15 (fifteen) days from the date of conclusion of the Meeting for their comments and the Minutes are entered in the Minutes Book within 30 (thirty) days from the date of conclusion of the Meeting, in compliance with SS-1. Action Taken Report on the decisions of the previous Meeting(s) is placed at the immediately succeeding Meeting of the Board/Committee(s) for information and review by the Board/Committee(s).

Attendance of each Director at Board Meetings held during the Financial Year 2017-18 and at the last Annual General Meeting (AGM):

Directors	No. of Board Meetings		Attendance at last AGM
	Held	Attended	
Mr. Bajrang Kumar Choudhary	7	7	Yes
Mr. Brahm Dutt	7	7	Yes
Mr. Pradeep Singh	7	5	Yes
Mr. Atanu Sen	7	6	Yes
Dr. (Ms.) Tuk Tuk Ghosh Kumar	7	6	Yes

Number of other Companies or Committees in which the Director is a Member/ Chairman

The following table gives the number of outside directorships and the Committee positions held by each of the Directors as on March 31, 2018 –

Directors	No. of Directorship in other Companies (i.e., other than Bharat Road Network Limited)		No. of Committee positions held in Indian Public Limited Companies (other than Bharat Road Network Limited)***	
	Indian Public Limited Companies*	Others**	Chairman	Member
Mr. Bajrang Kumar Choudhary	-	-	-	-
Mr. Brahm Dutt	1	-	-	1
Mr. Pradeep Singh	1	3	-	-
Mr. Atanu Sen	5	2	-	4
Dr. (Ms.) Tuk Tuk Ghosh Kumar	1	2	-	1

*Includes Directorships in private companies that are subsidiaries of a public company

**Includes Directorships in private limited companies (other than private companies that are subsidiary company of a public company), foreign entities, companies under Section 8 of the Companies Act, 2013, alternate Directorships, Directorship/Memberships of Managing Committees of various Chambers/Institutions/Universities and proprietorship of firms.

***Includes only Audit Committee and Stakeholders' Relationship Committee of public limited companies (includes private companies which are subsidiaries of public companies), whether listed or not.

• Board Committees

The Company has the following Board level committees as on the date of this Report:

- A. Audit Committee
- B. Nomination & Remuneration Committee
- C. Stakeholders' Relationship Committee
- D. Corporate Social Responsibility Committee
- E. Committee of Directors

The Board is authorized to constitute additional functional committees, from time to time, depending on business needs.

The Board has constituted various Committees consisting of Executive and Non-Executive Directors to focus on the critical functions of the Company. The Board Committees play a crucial role in the governance structure of the Company and are being set out to deal with specific areas/activities which concern the Company and need a closer review. They are set up under the formal approval of the Board, to carry out the clearly defined role which is considered to be performed by Members of the Board, as a part of good Corporate Governance practice.

The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. All observations,

recommendations and decisions of the Committees are placed before the Board for information or for approval, as the case may be. Further, minutes of proceedings of the Committees are circulated to the Members thereof and are placed before the Board, at its Meetings, for noting thereat.

The Terms of Reference for the various Committees, including their roles and powers, is in accordance with the relevant provisions of Companies Act, 2013, the SEBI Listing Regulations, 2015 and other applicable Rules and Regulations issued by the concerned Regulators, from time to time.

Each of the Committees has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function.

A. Audit Committee

The Audit Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations, 2015.

There were no changes in the composition of the Audit Committee, during the year under review. However, for operational convenience, the Board of Directors of your Company, at its Meeting held on 29th May, 2018, has reconstituted the Audit Committee, the details of which has been given in the Directors' Report forming part of this Annual Report.

The Audit Committee of your Company presently comprises of the following Members:

Sl. No.	Name	Category	Designation
1.	Mr. Brahm Dutt	Independent Director	Chairman
2.	Mr. Bajrang Kumar Choudhary	Managing Director (Executive Director)	Member
3.	Mr. Pradeep Singh	Independent Director	Member
4.	Mr. Atanu Sen	Independent Director	Member

Statutory Auditors of the Company are invited to attend the Meetings of the Committee. The Committee also invites senior executives at its Meetings, as it considers appropriate.

The representatives of Internal Auditors and the Chief Financial Officer (CFO) of the Company attend the meetings of the Audit Committee as invitees and Mr. Naresh Mathur, Company Secretary acts as the Secretary to the Committee.

All the Members of the Audit Committee are financially literate and have accounting or related financial management expertise.

The Terms of Reference of this Committee includes oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible, recommending appointment,

remuneration and terms of appointment of auditors, reviewing/ examining quarterly and annual Financial Statements and Auditor's Report(s) thereon, before submission to the Board for approval, evaluate Company's internal financial controls and risk management systems, reviewing performance of statutory and internal auditors and adequacy of internal control systems, reviewing the functioning of the Whistle Blower Mechanism and other matters specified for Audit Committee in Section 177 of the Companies Act, 2013, the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI Listing Regulations, 2015, read with Schedule II thereto.

During the Financial Year 2017-18, 4 (four) Meetings of the Audit Committee were held. Moreover, the requisite quorum was present in all the Meetings of the Audit Committee held during the year.

• Details of Audit Committee Meetings held during the Financial Year:

Sl. No.	Date	Committee Strength	No. of Members Present
1	26th April, 2017	3	3
2	14th September, 2017	3	2
3	2nd November, 2017	3	3
4	14th February, 2018	3	3

• Attendance at Audit Committee Meetings held during the Financial Year:

Member	No. of Meetings	
	Held	Attended
Mr. Brahm Dutt	4	4
Mr. Bajrang Kumar Choudhary	4	4
Mr. Atanu Sen	4	3

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, 2015.

There were no changes in the composition of the Nomination and Remuneration Committee, during the year under review. However,

for operational convenience, the Board of Directors of your Company at its Meeting held on 29th May 2018, has reconstituted the Nomination and Remuneration Committee, the details of which have been given in the Directors' Report, forming part of this Annual Report.

The Nomination and Remuneration Committee of your Company presently comprises of the following Members:

Sl. No.	Name	Category	Designation
1.	Mr. Pradeep Singh	Independent Director	Chairman
2.	Mr. Brahm Dutt	Independent Director	Member
3.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	Independent Director	Member

Mr. Naresh Mathur, Company Secretary acts as the Secretary to the Committee.

The Committee evaluates the composition and organization of the Board and its Committees in light of requirements established by any regulatory body or any other applicable Statutes, Rules and Regulations, which the Committee deems relevant, makes recommendations to the Board of Directors in respect to the appointment, re-appointment and resignation of Independent, Executive and Non-Executive Directors of the Company, identifies the persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommends to the Board their appointment

and removal and other matters specified for Nomination and Remuneration Committee under Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, 2015, read with Schedule II thereto.

During the Financial Year 2017-18, 2 (two) meetings of the Nomination and Remuneration Committee were held. Moreover, the requisite quorum was present at all the meetings of Nomination and Remuneration Committee held during the year.

• **Details of Nomination and Remuneration Committee Meetings held during the Financial Year:**

Sl. No.	Date	Committee Strength	No. of Members Present
1.	26th April, 2017	3	3
2.	16th December, 2017	3	3

• **Attendance at Nomination and Remuneration Committee Meetings held during the Financial Year:**

Member	No. of Meetings	
	Held	Attended
Mr. Brahm Dutt	2	2
Mr. Atanu Sen	2	2
Mr. Pradeep Singh	2	2

The Nomination and Remuneration Committee, at its aforesaid Meetings, discussed and approved various matters delineated in its terms of reference, including formulation of the Nomination and Remuneration Policy, Policy on Board Diversity, setting of Performance Evaluation Criteria, Succession Planning, etc. The link to the Nomination and Remuneration Policy as well as Policy on Board Diversity has been provided elsewhere in this Annual Report.

Performance Evaluation

The Nomination and Remuneration Committee (NRC) of your Company has formulated and laid down criteria for Performance Evaluation and has adopted a formal mechanism for evaluating the performance and effectiveness of the Board (including Committees) and every Director (including Independent Directors and Chairman of the Board) pursuant to provisions of Section 134, Section 149 read with the Code for Independent Directors (Schedule IV), Section 178 of the Companies Act, 2013 and Regulation 19(4) read with Part D of

Schedule II of SEBI Listing Regulations, 2015 covering, inter alia, the following parameters:

- Board Evaluation - degree of fulfilment of key responsibilities; Board culture and dynamics.
- Board Committee Evaluation - effectiveness of meetings; Committee dynamics.
- Individual Director Evaluation (including Independent Directors) - contribution at Board Meetings.

The detailed process of Performance Evaluation has been given in the Directors' Report, forming part of this Annual Report.

C. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee (SRC) has been constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations, 2015.

As on 31st March, 2018, the Stakeholders Relationship Committee of your Company comprised of the following Members -

Sl. No.	Name	Category	Designation
1.	Mr. Pradeep Singh	Independent Director	Chairman
2.	Mr. Atanu Sen	Independent Director	Member
3.	Mr. Bajrang Kumar Choudhary	Managing Director (Executive Director)	Member

For operational convenience, the Board of Directors of your Company, at its Meeting held on 29th May, 2018, has reconstituted the Stakeholders Relationship Committee. The Committee, presently, comprises of -

Sl. No.	Name	Category	Designation
1.	Mr. Atanu Sen	Independent Director	Chairman
2.	Mr. Pradeep Singh	Independent Director	Member
3.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	Independent Director	Member

Mr. Naresh Mathur, Company Secretary acts as the Secretary to the Committee and is assigned with the responsibilities of overseeing investor grievances.

The Committee oversees and reviews redressal of shareholder and investor grievances, transfer & transmission of shares, issue of duplicate share certificates, exchange of new design share certificates, recording dematerialisation & rematerialisation of shares, deal with matters relating to BRNL Code of Conduct for

Prohibition of Insider Trading (BRNL Insider Code) framed in line with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and related matters.

During the Financial Year 2017-18, 3 (three) Meetings of the SRC were held. Moreover, the requisite quorum was present at all the meetings of Stakeholders Relationship Committee held during the year.

• **Details of Stakeholders Relationship Committee Meetings held during the Financial Year:**

Sl. No.	Date	Committee Strength	No. of Members Present
1.	26th April, 2017	3	3
2.	2nd November, 2017	3	3
3.	14th February, 2018	3	3

• **Attendance at Stakeholders Relationship Committee Meeting held during the Financial Year:**

Member	No. of Meetings	
	Held	Attended
Mr. Pradeep Singh	3	3
Mr. Atanu Sen	3	3
Mr. Bajrang Kumar Choudhary	3	3

• **Status of Investors' Grievances for Equity Shares:**

The Company has formulated and put in place a comprehensive Investor Grievance Redressal Mechanism prescribing the standards of shareholders' service & grievance redressal procedure and mechanism to be adhered to by the Registrar and Share Transfer Agents as well as by the Company. The said mechanism has also been hosted on the website of the Company, www.brnl.in. Equity Shareholders can write to the Company at cs@brnl.in on a day to day basis.

During the Financial Year ended 31st March, 2018, the Company received 101 (One Hundred and One) complaints from the equity shareholders as received by the Registrar.

During the Financial Year 2017-18, the complaints and queries received by the Company were general in nature, which included issues relating to non-receipt of refund order, non-receipt of Annual Report, and others, which were all resolved to the satisfaction of the shareholders. As on 31st March, 2018, there were no pending investor complaints.

Further, pursuant to Regulation 13(3), read with Regulation 13(4), of the SEBI Listing Regulations, 2015, Statements of Investor Complaints, as received from the Registrar & Share Transfer Agents, Karvy Computershare Private Limited, for Equity shares, were filed with the Stock Exchanges, on a quarterly basis and the said Statements were also placed before the Board of Directors for information and noting, at their subsequent Meetings.

D. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been constituted in line with the provisions of Section 135 of the Companies Act, 2013.

There were no changes in the composition of the Corporate Social Responsibility Committee, during the year under review.

As on 31st March, 2018, the Corporate Social Responsibility Committee comprised of the following Members -

Sl. No.	Name	Category	Designation
1.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	Independent Director	Member
2.	Mr. Atanu Sen	Independent Director	Member
3.	Mr. Bajrang Kumar Choudhary	Managing Director (Executive Director)	Member

Mr. Naresh Mathur, Company Secretary acts as the Secretary to the Committee.

The Committee is responsible for monitoring the Corporate Social Responsibility Policy ('CSR Policy') of the Company, from time to time, instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities

undertaken by the Company, etc. The Company's CSR Policy is available on the Company's website, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

During the Financial Year 2017-18, the Corporate Social Responsibility Committee met once on 2nd November, 2017.

• **Details of Corporate Social Responsibility Committee Meeting held during the financial year:**

Sl. No.	Date	Committee Strength	No. of Members Present
1.	2nd November, 2017	3	3

• **Attendance at Corporate Social Responsibility Committee Meeting held during the Financial Year:**

Member	No. of Meeting	
	Held	Attended
Dr. (Ms.) Tuk Tuk Ghosh Kumar	1	1
Mr. Atanu Sen	1	1
Mr. Bajrang Kumar Choudhary	1	1

E. Committee of Directors

As on 31st March, 2018, the Committee of Directors comprised of the following Members -

Sl. No.	Name	Category	Designation
1.	Mr. Atanu Sen	Independent Director	Chairman
2.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	Independent Director	Member
3.	Mr. Bajrang Kumar Choudhary	Managing Director (Executive Director)	Member

For operational convenience, the Board of Directors of your Company, at its Meeting held on 29th May, 2018, has reconstituted the Committee of Directors. The Committee, presently, comprises of the following Members -

Sl. No.	Name	Category	Designation
1.	Mr. Brahm Dutt	Independent Director	Chairman
2.	Mr. Atanu Sen	Independent Director	Member
3.	Mr. Bajrang Kumar Choudhary	Managing Director (Executive Director)	Member

Mr. Naresh Mathur, Company Secretary acts as the Secretary to the Committee.

The Terms of Reference of the Committee includes oversight of banking and borrowing related matters, to authorize investment of the funds of the Company within the limits approved under Section 186 of the Companies Act, 2013, to authorize borrowings within the borrowing limits of the Company under Section 180(1)(c) of the

Companies Act, 2013, to authorise the Company officials for signing various agreements, deeds and documents, etc., to consider, approve and submit various Bid documents, etc., for promotion, investment, joint venture and/or expression, etc., of business of the Company in the Infrastructure sector, amongst others.

During the Financial Year 2017-18, 3 (three) meetings of Committee of Directors were held.

• Details of Committee of Directors Meetings held during the financial year:

Sl. No.	Date	Committee Strength	No. of Members Present
1.	26th April, 2017	3	3
2.	14th February, 2018	3	3
3.	7th March, 2018	3	2

• Attendance at Committee of Directors Meeting during the Financial Year:

Members	No. of Meetings	
	Held	Attended
Mr. Atanu Sen	3	3
Mr. Bajrang Kumar Choudhary	3	3
Dr. (Ms.) Tuk Tuk Ghosh Kumar	3	2

Remuneration of Directors

Details of Remuneration paid/payable to Directors for the Financial Year ended March 31, 2018, are as follows:

Name of Director	Sitting Fees	Salary & Perquisites (+ Bonus & Pension)	Commission	(Amount in Rs.) Total
Mr. Brahm Dutt	5,00,000	-	-	-
Mr. Bajrang Kumar Choudhary (MD)	N.A.	1,39,86,448	-	-
Mr. Pradeep Singh	3,30,000	-	-	-
Mr. Atanu Sen	5,05,000	-	-	-
Dr. (Ms.) Tuk Tuk Ghosh Kumar	3,40,000	-	-	-

The appointment of Managing Director is governed by resolution passed by the Nomination and Remuneration Committee, Board of Directors and the Shareholders of the Company, which covers the terms and conditions of such appointment, including remuneration. Further, payment of remuneration to Managing Director is also governed by the agreement executed between him and the Company, and approval of Shareholders. The tenure of office of the Managing Director is for 3 (three) years, effective from 1st November, 2016 and can be terminated by giving 3 (three) months advance notice in writing. There is no separate provision for payment of severance fees. The Managing Director is presently liable to retirement by rotation.

The remuneration of Executive Directors is divided into two components, viz., fixed component of salaries, perquisites and retirement benefits and variable component of performance based incentive. The remuneration, including annual increment and performance incentive, is decided based on the criticality of the roles and responsibilities, the Company's performance vis-a-vis the annual budget achievement, individual's performance vis-a-vis key result areas, industry benchmark and current compensation trends in the market.

The Non-Executive Directors are paid remuneration by way of sitting fees for each Meeting of the Board or any Committee thereof attended by them and reimbursement of out-of pocket expenses incurred, wherever applicable, for attending such Meetings. The sitting fees, as determined by the Board, are presently, Rs. 50,000/- for attending each Meeting of the Board, Rs. 25,000/- for attending each Meeting of the Audit Committee and Rs. 10,000/- for attending each Meeting of other Committees. The aforesaid payment is well within the limits prescribed under the Companies Act, 2013 and Rules made therein.

No pecuniary transactions have been entered into by the Company with any of the Non-Executive Directors of the Company, except the payment of aforesaid sitting fees to them. Currently, the Company does not have any stock option plan.

The terms of appointment of the Independent Directors of the Company have been broadly elaborated in the letters of appointment issued to them. Draft letter of appointment to Independent Directors has been hosted on the website of the Company, www.brnl.in.

Code of Conduct for Directors and Senior Management

A Code of Conduct as applicable to the Board of Directors and Senior Management (Vice Presidents and above) as approved by the Board, has been displayed on the Company's website, www.brnl.in. The Board Members and Senior Management have affirmed their compliance with the Code as at 31st March, 2018 and a Declaration signed by the Managing Director (MD) in this regard pursuant to Regulation 34(3) of SEBI Listing Regulations, 2015, read with Schedule V thereto, forms part of this Annual Report.

Subsidiary Companies' Monitoring Framework

As on 31st March, 2018, your Company has 3 (three) subsidiaries out of which, 2 subsidiaries are "Material Unlisted Subsidiaries" as per SEBI Listing Regulations, 2015.

All subsidiary companies are managed by their Boards, having the rights and obligations to manage such companies in the best interest of their stakeholders.

Mr. Atanu Sen, who is an Independent Director of your Company, serves as an Independent Director on the Board of Orissa Steel Expressway Private Limited and Dr. (Ms.) Tuk Tuk Ghosh Kumar, an Independent Director of your Company, has been proposed by the Board of Directors at its Meeting held on 29th May, 2018, to serve on the Board of Guruvayoor Infrastructure Private Limited as an Independent and Woman Director.

The Company monitors performance of subsidiary companies, inter alia, by the following means:

- Financial Statements of the unlisted subsidiary companies, in particular investments made by them, are reviewed quarterly by the Company's Audit Committee.
- A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board, at its Meetings.
- Minutes of Board Meetings of unlisted subsidiary company(s) are placed before your Company's Board at its Meetings on a regular basis.

In addition to the above, the Company has formulated a Policy for determining 'Material' Subsidiaries in accordance with the SEBI Listing Regulations, 2015. The said Policy is available on the Company's website, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

General Body Meetings

- Details of the location of the last three Annual General Meetings (AGMs) and the details of special resolutions passed-

► ANNUAL GENERAL MEETINGS (AGMs):

Details	Financial Year	Date & Time	Venue	No. of Special Resolution(s) passed
10th AGM	2016-17	16th December, 2017, at 11:00 A.M.	India Power Corporation Limited Auditorium, Plot X1 – 2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700 091	2*
9th AGM	2015-16	27th September, 2016, at 1:30 P.M.	'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046	No Special Resolution passed
8th AGM	2014-15	30th September, 2015, at 1:30 P.M.	'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046	4**

*2 Special Resolutions were passed -

- Approval for Maintenance of the Register of Members with the Registrar & Share Transfer Agent (RTA); and
- Alteration of the Object Clause of the Memorandum of Association of the Company

** 4 Special Resolutions were passed -

- Authorisation under Section 180(1)(c) of the Companies Act, 2013 for borrowing limits of the Company for an amount not exceeding Rs. 1,000 Crore, outstanding at any given point of time;

- Authorisation under Section 180(1)(a) of the Companies Act, 2013 for mortgaging and/or creating charge, etc., up to the borrowing limits approved by the Members;

- Authorisation to give loan, guarantee, provide security and make investments under Section 186 of the Companies Act, 2013, up to the extent of Rs. 1,000 Crore; and

- Approval of Related Party Transactions under Section 188 of the Companies Act, 2013.

During the year under review, no Extra Ordinary General Meeting was held.

► Special Resolution passed last year through Postal Ballot – details of voting pattern

During the year under review, your Company has in compliance with Section 110 of the Companies Act, 2013, by way of Postal Ballot, passed a Special Resolution, on 28th December, 2017, for increasing the limit prescribed under Section 186(3) of the Companies Act, 2013, for giving loans or extending guarantee

or providing security or acquiring securities of any other body corporate, in excess of the limit specified under sub-section (3) of Section 186 of the Companies Act, 2013, from Rs. 1,000 crore to Rs. 2,500 crore.

The voting period (both physical and e-voting) commenced at 9 A.M. IST on November 28, 2017 and ended at 5 P.M. IST on December 27, 2017.

The details of the voting pattern is as mentioned hereunder -

Mode of Voting – E-voting and Postal Ballot

Total No. of Shareholders – 17,778

Particulars	Number of Members voted through Remote E-voting	Number of Remote E-votes cast	Number of Members voted through Postal Ballot	Number of votes cast by Postal Ballot	Total No. of Members voted through Remote E-voting and Postal Ballot	Total No. of votes cast through Remote E-voting and Postal Ballot	% of total number of valid votes cast
	1	2	3	4	5=(1) + (3)	6=(2) + (4)	7

Item No. 1: Authorisation to the Board of Directors of the Company for approving Loans, Guarantees and Investments in excess of limits prescribed under Section 186 of Companies Act, 2013

Voted in favour of the resolution	36	5,94,42,273	24	5,01,861	60	5,99,44,134	99.9997
Voted against the resolution	4	157	-	-	4	157	0.0003
Total	40	5,94,42,430	24	5,01,861	64	5,99,44,291	100.00
Invalid /Abstain votes	-	-	2	146	2	146	-

► Person who conducted the Postal Ballot Exercise:

The Board of Directors, at its meeting held on 2nd November, 2017, had appointed Mr. Arun Kumar Khandelwa (FCS No. 3829, CP No. 2270), Partner of K. Arun & Co., Practicing Company Secretaries, Kolkata, as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

► Whether any special resolution is proposed to be conducted through Postal Ballot:

There is no immediate proposal for passing any resolution through Postal Ballot.

► Procedure for Postal Ballot:

The Postal Ballot Notice, dated November 02, 2017, was sent to all the Members whose names appeared in the Register of Members/ Register of Beneficial Owners as

received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) (together "Depositories") as on Friday, 17th November, 2017.

The Postal Ballot Notice was sent through electronic mail to Members whose e-mail IDs were registered in the records of Depository Participants and through physical mode, along with postage prepaid self-addressed Business Reply Envelope, to those Members whose e-mail IDs were not registered with the Depository Participants, on November 27, 2017. A newspaper advertisement, as required under the Companies Act, 2013, was also published in "The Financial Express" and "Aajkal" on November 28, 2017.

In Compliance with Regulation 44 of the SEBI Listing Regulations, 2015, and pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company had offered e-voting facility through Karvy Computershare Private Limited (Karvy) in order to enable the Members to cast their votes electronically. The voting period (both physical and e-voting) commenced at 9 A.M. IST on November 28, 2017 and ended at 5 P.M. IST on December 27, 2017. The e-voting module was disabled by Karvy, thereafter. The last date for receipt of Ballot Forms by scrutinizer was December, 27, 2017, up to 5 P.M. IST and the Postal Ballot Forms received thereafter, were treated as if no reply has been received by such Members.

The Scrutinizer carried out the scrutiny of Postal Ballot Forms received physically and for the votes cast electronically on December, 27, 2017 up to 5 P.M. IST and submitted his report dated December 28, 2017 to the Company Secretary of the Company (duly authorized by the Chairman for the purpose of declaration of results) and reported that the resolution set out in the Postal Ballot Notice dated November 2, 2017 has been passed with requisite majority.

The Company Secretary noted the Results of voting as stated above and thereafter, declared the same on Thursday, December 28, 2017, at 6 P.M. IST. The Results were displayed at the Registered Office of the Company and were communicated to the Stock Exchanges, Registrar and Share Transfer Agent and were also displayed on the Company's website, www.brnl.in.

Means of Communication

Your Company informs the Stock Exchanges in a prompt manner, all price sensitive information as well as all such other matters which in its opinion are material and relevant for the Shareholders. The Company effectively uses NEAPS (NSE Electronic Application Processing System) and BSE Listing Centre, a web based application designed by National Stock Exchange of India Limited and BSE Limited, respectively, for filing of Shareholding Pattern, Corporate Governance Report, Financial Statements and significant corporate announcements.

Quarterly Results	The Quarterly Results of the Company are published in prominent English Newspapers having nationwide circulation as well as Bengali Newspapers and also hosted on the Company's website, www.brnl.in . Further, pursuant to Regulation 47, read with Regulation 33, of the SEBI Listing Regulations, 2015, extract of the Results were published as per the prescribed format.
Newspapers in which Results are normally published	Financial Express (English) and Aajkaal (Bengali).
Any website, where displayed	Yes, at the Company's website, www.brnl.in
Whether it also displays official news releases	Yes
Presentations made to Institutional Investors or to the Analysts	Yes Pursuant to Schedule III, Para A of Part A read with Regulation 30 of SEBI Listing Regulations, 2015, schedule of analyst or Institutional Investor meet and presentations on Financial Results made by the Company to Analysts or Institutional Investors, if any, has been duly disclosed by the Company to the Stock Exchanges and the same has also been simultaneously disseminated on the Company's website, www.brnl.in pursuant to Regulation 46(2) of the said Regulations.
Whether MD & A is a part of Annual Report or not	Yes

General Shareholders' Information

A section on Shareholders' Information is separately provided in the Annual Report.

Other Disclosures:

i. Disclosures on materially significant Related Party Transactions that may have potential conflict with the interests of Company at large –

Details of relevant Related Party Transactions entered into by the Company are included in the Board's Report and in the Notes

to Accounts. The Company has in place a Policy on Related Party Transactions setting out (a) the materiality thresholds for related parties and (b) the manner of dealing with transactions between the Company and related parties, including omnibus approvals by Audit Committee based on the provisions of the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations, 2015. The said Policy is available on the Company's website, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report. During the year under review, there were no materially significant transactions with related parties, as per the Policy adopted by the Company,

that has potential conflict with the interests of the Company at large. All transactions with related parties entered into by the Company were in the ordinary course of business and as an arm's length basis and were approved by the Audit Committee.

ii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the Board (SEBI) or any statutory authority, on any matter related to capital markets, during the last three years –

The Company has complied with various Rules and Regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets. No penalties or strictures have been imposed by them on the Company during the last three years.

iii. Details of establishment of Vigil Mechanism, Whistle Blower Policy, and affirmation that no personnel has been denied access to the Audit Committee –

In accordance with the provisions of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company has in place a Vigil Mechanism and a Whistle-Blower Policy, duly approved by the Audit Committee, which provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The disclosures reported, if any, are addressed in the manner and within the time frames prescribed in the Policy. The said Policy is available on the Company's website, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report. The Company affirms that no Director or employee of the Company has been denied access to the Audit Committee.

iv. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements –

The Company has complied with all the mandatory and applicable requirements of Corporate Governance, as specified in sub-para (2) to (10) of Part C of Schedule V to the SEBI Listing Regulations, and shall review and adopt the non-mandatory requirements, if needed.

v. Information on the Company's website regarding key policies, codes and charters, adopted by the Company:

- **Composition of Various Committees of the Board of Directors**
<http://brnl.in/sites/default/files/report/Composition%20of%20various%20Committees.pdf>
- **Corporate Social Responsibility Policy**
<http://brnl.in/sites/default/files/report/10.%20Corporate%20Social%20Responsibility%20Policy.pdf>
- **Code of Conduct For Prohibition of Insider Trading**
<http://brnl.in/sites/default/files/report/12.%20Code%20of%20Conduct%20for%20Prohibition%20of%20Insider%20Trading.pdf>

- **Policy on Determining "Material" Subsidiaries**

<http://brnl.in/sites/default/files/report/2.%20Policy%20on%20determining%20Material%20Subsidiaries.pdf>

- **Risk Management Policy**

<http://brnl.in/sites/default/files/report/4.%20Risk%20Policy.pdf>

- **Related Party Transactions (RPTs) Policy**

<http://brnl.in/sites/default/files/report/6.%20Policy%20on%20Related%20Party%20Transactions%20%28RPTs%29-%20BRNL.pdf>

- **Policy for determination of Materiality of any Event/ Information**

<http://brnl.in/sites/default/files/report/8.%20Policy%20for%20determination%20of%20Materiality%20of%20any%20Event%20or%20Information.pdf>

- **Vigil Mechanism Policy**

<http://brnl.in/sites/default/files/report/Vigil%20Mechanism%20Policy.pdf>

- **BRNL Nomination & Remuneration Policy**

<http://brnl.in/sites/default/files/report/15.%20NRC%20Policy.pdf>

- **Policy on Board Diversity**

<http://brnl.in/sites/default/files/report/14.%20Policy%20on%20Board%20Diversity.pdf>

- **Archival Policy**

<http://brnl.in/sites/default/files/report/9.%20Archival%20Policy.pdf>

- **Code of Conduct for Board of Directors and Senior Executives**

<http://brnl.in/sites/default/files/report/3.%20Code%20of%20Conduct%20for%20Board%20of%20Directors%20and%20Senior%20Executives.pdf>

- **Policy on Prevention of Sexual Harassment**

<http://www.brnl.in/sites/default/files/report/Policy%20on%20Prevention%20of%20Sexual%20Harassment%20%281%29.pdf>

- **BRNL Fair Disclosure Code**

<http://brnl.in/sites/default/files/report/13.%20Code%20of%20Fair%20Disclosure%20of%20UPSI.pdf>

- **Investor Grievance Redressal Mechanism**

<http://brnl.in/sites/default/files/report/BRNL%20-%20INVESTOR%20GRIEVANCE%20REDRESSAL%20MECHANISM.pdf>

- **Familiarisation Programme for Independent Directors (IDs)**

<http://brnl.in/sites/default/files/report/BRNL%20Familiarisation%20Programme%20for%20Independent%20Directors.pdf>

A. Discretionary Requirements (Regulation 27 of the SEBI Listing Regulations, 2015)

a) Chairman of the Board

Whether Non-Executive Chairman is entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties

Non-Executive Chairman is not entitled to maintain a Chairman's office at the Company's expense. However, he is allowed reimbursement of expenses incurred in performance of his duties.

b) Shareholder Rights

A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders

Since there is a requirement of quarterly, half-yearly and annual Results of the Company to be published in a leading English daily newspaper having a nationwide circulation and a Bengali daily newspaper (having circulation in Kolkata) and to be hosted on Company's website, these may not be sent individually to the shareholders of the Company. There is no declaration/publication of second half yearly results as the audited annual results are taken on record by the Board and then communicated to the shareholders through the Annual Report.

The Annual Report of the Company for the Financial Year 2017-18 shall be emailed to the Members whose e-mail addresses are available with the depositories or are obtained directly from the Members, as per Section 136 of the Companies Act, 2013 and Rule 11 of the Companies (Accounts) Rules, 2014. For other Members, who have not registered their e-mail addresses, the Annual Report shall be sent at their registered address. If any Member wishes to get a duly printed copy of the Annual Report, the Company shall send the same, free of cost, upon receipt of request from the Member.

c) Modified opinion(s) in audit report

It is always the Company's endeavour to present unmodified Financial Statements. There is no audit modification in the Company's Financial Statements for the year ended on 31st March, 2018.

d) Separate posts of Chairman and CEO

The Company may appoint separate persons to the post of Chairman and Managing Director/CEO

The positions of Chairman and Managing Director (MD) are separate. The Chairman of the Company is a Non- Executive Director and his position is separate from that of the MD.

e) Reporting of Internal Auditor

The Internal Auditor may report directly to the Audit Committee

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meetings and regularly attends the Meetings for reporting audit findings to the Audit Committee.

Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account:

There are no shares lying unclaimed in the Demat Suspense Account/ Unclaimed Suspense Account as on the date of this Report.

DECLARATION BY THE MANAGING DIRECTOR PURSUANT TO REGULATION 34, READ WITH SCHEDULE V(D), OF THE SEBI LISTING REGULATIONS, 2015

The Company has obtained affirmation from all the Members of the Board and Senior Management Personnel of the Company that they have complied with the Code of Conduct for Board of Directors and Senior Management Personnel in respect of the Financial Year 2017-18, and a declaration signed by the Managing Director pursuant to Regulation 34(3), read with Schedule V of the SEBI Listing Regulations, 2015, is given below:

I, Bajrang Kumar Choudhary, Managing Director of Bharat Road Network Limited, declare that the Company has obtained affirmation from all the Members of the Board and Senior Management Personnel of the Company, that they have complied with the Code of Conduct for Board of Directors and Senior Management Personnel during the Financial Year 2017-18.

Place: Kolkata
Date: 29.05.2018

Bajrang Kumar Choudhary
Managing Director
DIN: 00441872

GENERAL SHAREHOLDERS INFORMATION:

1. ANNUAL GENERAL MEETING:

Day, Date and Time	Friday, 28th September, 2018, at 3:30 P.M.
Venue	India Power Corporation Limited Auditorium Plot X1 – 2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata - 700 091

2. FINANCIAL CALENDAR (TENTATIVE):

a. Financial Reporting for 2018-19:

Quarter ending 30th June, 2018	on or before 14th August, 2018
Quarter and half year ending 30th September, 2018	on or before 14th November, 2018
Quarter and nine months ending 31st December, 2018	on or before 14th February, 2019
Quarter and year ending 31st March, 2019	on or before 30th May, 2019

b. Annual General Meeting for the Financial Year ending on 31st March, 2019: August / September, 2019

3. DATE OF DIVIDEND PAYMENT:

The Dividend, if approved by the Shareholders at the ensuing Annual General Meeting, shall be paid / dispatched on or before 18th October, 2018.

4. LISTINGS

The Company's Equity Shares are, presently, listed on the following Stock Exchanges:

- **BSE Limited**
5th Floor, P J Towers, Dalal Street, Mumbai - 400 001
- **National Stock Exchange of India Limited**
Exchange Plaza, C-1, Block "G", Bandra Kurla Complex, Bandra East, Mumbai - 400 051

The Annual Listing Fees have been paid to both the Stock Exchanges for the Financial Year 2018-19.

5. STOCK CODE:

- BSE - 540700
- NSE - BRNL
- International Security Identification Number (ISIN): INE727S01012
- Corporate Identification Number (CIN): L45203WB2006PLC112235

6. STOCK MARKET DATA

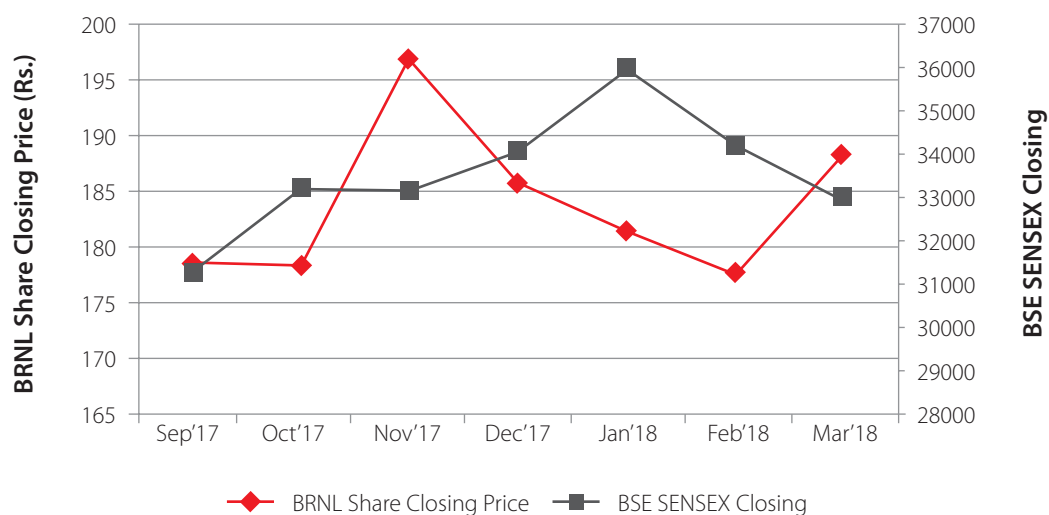
Since the Company got its Equity Shares listed on 18th September, 2017, the below given data relates to period from September, 2017 to March, 2018 -

Month	BSE Limited			National Stock Exchange of India Limited		
	High (Rs.)	Low (Rs.)	Volume	High (Rs.)	Low (Rs.)	Volume
September, 2017	218.65	176.4	8289947	218.9	177.25	45673590
October, 2017	183.9	171	1097169	187.75	170	5692156
November, 2017	202.7	170.45	436417	203.65	170	5855246
December, 2017	205	185.1	174915	204.9	183.1	1702961
January, 2018	195.25	180	61788	195.05	175.1	373227
February, 2018	192.05	170	52842	209.7	173.2	289275
March, 2018	191.1	174.2	30010	198	174.45	896330

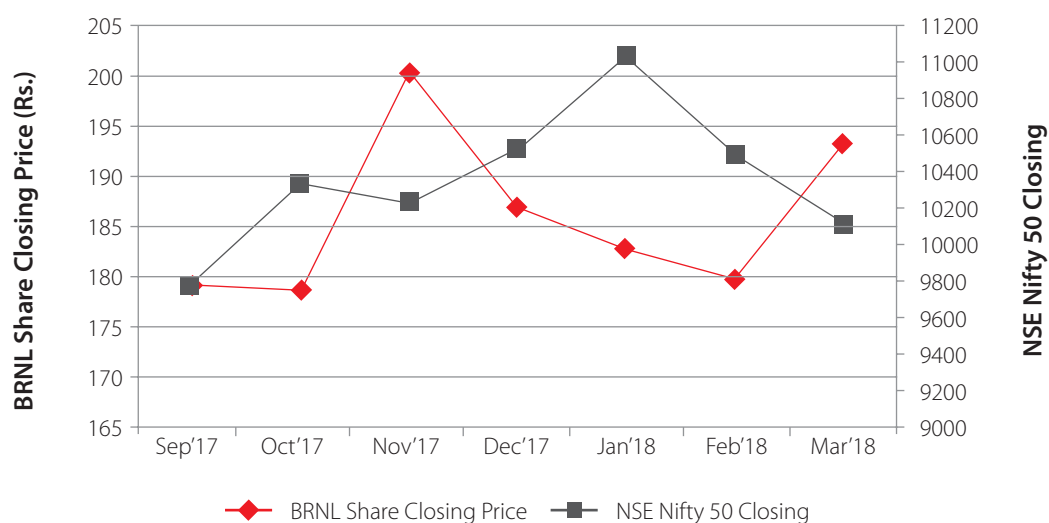
Note: Volume is the total monthly volume of trade in number of shares.

7. PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES NAMELY BSE SENSEX AND NSE NIFTY 50 RESPECTIVELY:

BRNL Share Closing Price vs. BSE SENSEX Closing



BRNL Share Closing Price vs. NSE Nifty 50 Closing



8. FINANCIAL YEAR – 1st April to 31st March**9. REGISTRAR AND SHARE TRANSFER AGENTS**

Karvy Computershare Private Limited (Karvy)
 Selenium Tower B, Plot No.: 31-32, Gachibowli
 Financial District, Nanakramguda, Hyderabad - 500 032
 Tel. No.: +91 40 6716 1500; Fax No.: +91 40 2342 0814
 E-mail ID: einward.ris@karvy.com.

10. SHARE TRANSFER SYSTEM & REDRESSAL OF INVESTOR GRIEVANCES

None of the shares of the Company are in physical form, as on the date of this Report. Grievances received from investors and other miscellaneous correspondence with respect to change of address, mandates, etc., are processed by the Registrars within 15 days.

1. Pursuant to Regulation 7(3) of the SEBI Listing Regulations, 2015, a compliance certificate is filed with the Stock Exchanges on half yearly basis, duly signed by the Compliance Officer of the Company and the authorised representative of the Registrar and Share Transfer Agent, certifying that all activities in relation to both physical and electronic share transfer facility are maintained by Karvy, the Company's Registrar and Share Transfer Agents.
2. Pursuant to Regulation 13 of the SEBI Listing Regulations, 2015, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed of during the quarter and those remaining unresolved at the end of the quarter, is filed with the Stock Exchanges and placed before the Board of Directors on a quarterly basis.
3. A Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit, on a quarterly basis, to reconcile the total admitted capital with depositories, viz., National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and the total issued and listed capital. The Audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).
4. The Company has an established mechanism for investor service and grievance handling, with Karvy and the Compliance Officer appointed by the Company for this purpose, being the important functional nodes. The said Mechanism has been hosted on the website of the Company, www.brnl.in.

11. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2018:

Category (Shares)	No. of Shareholders		No. of Shares	
	Total	Percentage	Total	Percentage
1 - 500	14112	98.30	1013970	1.21
501 - 1000	137	0.95	118265	0.14
1001 - 2000	33	0.23	46914	0.06
2001 - 3000	12	0.08	28748	0.03
3001 - 4000	2	0.01	6476	0.01
4001 - 5000	7	0.05	32866	0.04
5001 - 10000	10	0.07	74583	0.09
10001 - 20000	6	0.04	87353	0.10
20001 and above	37	0.26	82540825	98.32
TOTAL:	14356	100.00	83950000	100.00

12. DEMATERIALISATION OF SHARES

The entire shareholding of the Company is in dematerialized mode, as on the date of this Report.

13. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has not issued any GDRs/ADRs/Warrants or any other Convertible Instruments.

14. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company is not dealing in commodities and Foreign Exchange and hence, disclosure relating to commodity price risks and commodity hedging activities is not required.

15. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (b) TO (i) OF REGULATION 46(2) OF THE SEBI LISTING REGULATIONS, 2015

Pursuant to Schedule V to the SEBI Listing Regulations, 2015, the Company hereby confirms that it has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2), inter alia, covering the following subject matter/heads:

- i) Board of Directors
- ii) Audit Committee
- iii) Nomination and Remuneration Committee
- iv) Stakeholders' Relationship Committee
- v) Risk Management Committee – Not Applicable
- vi) Vigil Mechanism
- vii) Related Party Transactions
- viii) Corporate Governance requirements with respect to Subsidiary of the Company
- ix) Obligations with respect to Independent Directors
- x) Obligations with respect to Employees including Senior Management, Key Managerial Persons, Directors and Promoters
- xi) Other Corporate Governance requirements as stipulated under the Regulations
- xii) Dissemination of various information on the website of the Company, w.r.t clauses (b) to (i) of Regulation 46(2) of the aforesaid Regulations.

16. ADDRESS FOR CORRESPONDENCE

Company Secretary and Compliance Officer

Mr. Naresh Mathur
 Company Secretary
 5B, North East Block, Vishwakarma Building,
 86C, Topsia Road (South), Kolkata - 700 046
 West Bengal, India
 Tel. No.: +91 33 6602 3333
 E-mail ID: cs@brnl.in

Independent Auditors' Report

To

The Members of

Bharat Road Network Limited

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **Bharat Road Network Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone 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 state of affairs (financial position), profit and loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 misstatements, 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 thereunder.

We conducted our audit of the Standalone Ind AS financial

statements in accordance with the Standards on Auditing, as 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 disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of the material misstatement of the Standalone 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 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 accounting policies used and reasonableness of the accounting estimates made by the Company's Board of 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.

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, including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018 and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

Attention is invited to Note 27.4 of the standalone Ind AS Financial Statements regarding investments in Special Purpose Vehicles formed as per Concession Agreement and guidelines of respective government authority and treatment of such investments as Qualifying Asset which is based on the legal opinion and capitalization of directly attributable borrowing costs incurred in respect thereof.

Our opinion is not modified in respect of the said matter.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1 2016, included in these standalone IND AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with relevant Act and Rules thereunder, audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated April 26, 2017 and September 19, 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which has been audited by us.

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, and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, 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 our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (Including other comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant Rules issued thereunder;
 - e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. To the best of our information and according to the explanations given to us there is no pending litigations (Other than those already recognised in the accounts) having material impact on the financial position of the Company. (Refer Note 27.5 of the standalone Ind AS financial statements)
 - ii. The Company does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
 - iii. There was no amount required to be transferred to the Investor Education and Protection Fund by the Company.

For **S. S. Kothari Mehta & Co.**
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner

Place: New Delhi
Date: 29th May 2018

Membership No.095960

Annexure – “A” to the Independent Auditors’ Report

To

The Members of

Bharat Road Network 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

- | | |
|---|---|
| <p>(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;</p> <p>(b) These fixed assets have been physically verified by the management according to a phased programme designed to cover all the items during the year, which in our opinion, is reasonable having regard to the size of the company and nature of its assets. In accordance with this programme, fixed assets were physically verified by the management during the reporting period and no discrepancies were noticed on such verification;</p> <p>(c) As the Company has no immovable property, provisions of clause (i) (c) of para 3 of the said order is not applicable to the Company.</p> <p>(ii) As the Company has no inventory, provisions of clause (ii) of para 3 of the said order is not applicable to the company.</p> <p>(iii) The Company has granted unsecured loan/advances to companies covered in register maintained under section 189 of the Act. With respect to the said loan/advances, we have to state that;</p> <p>a) In our opinion the terms and conditions of the grant of such loans/advances are not prejudicial to the interest of the company.</p> <p>b) These unsecured loans/advances are repayable on demand. These loans/advances carry interest in the form of yield and are receivable as and when due as per the terms of the agreement.</p> <p>c) The total amount overdue for more than 90 days is Nil.</p> <p>(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, in respect of grant of loans, making investments and providing guarantees and securities, as applicable.</p> <p>(v) The Company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act, and the rules framed hereunder are not applicable.</p> | <p>(vi) The provisions regarding maintenance of cost records under section 148 (1) of the Act are not applicable to the Company.</p> <p>(vii) (a) According to information and explanations given to us and the records of the company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues to the appropriate authorities. There are no arrears of outstanding undisputed statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.</p> <p>(b) According to information and explanations given to us and the records of the company examined by us, there is no dues outstanding in respect of income tax, sales tax, service tax, duty of customs, duty of excise, goods and service tax and cess as at 31 March 2018 on account of disputes.</p> <p>(viii) The Company has defaulted in repayment of principal amount and interest since December 14, 2017 to one of the financial institution (NBFC) of principal amounting to ₹5,000.00 lakhs and interest (net of TDS) ₹166.44 lakhs (till March 31, 2018). Refer Note 14 (ii) (i) of the notes to the Financial Statements.</p> <p>(ix) Company has issued 2,93,00,000 equity shares of ₹10/- each at a premium of ₹195 per share by way of initial public offer. The utilisation of IPO proceeds is in accordance with the terms of the prospectus. Further, the term loans raised by the company during the year were applied for the purpose for which they were obtained.</p> <p>(x) To the best of our knowledge and according to information and explanations given to us no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.</p> <p>(xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.</p> |
|---|---|

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

(xiii) According to the information and explanation given to us, and on the basis of our examination of the records, the company has transacted with the related parties which are in compliance with sections 177 and 188 of the Act and the details have been disclosed in the financial statements – Refer Note 28.1 to the financial statements.

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

(xv) The Company has not entered into non-cash transactions with directors or persons connected with the directors and therefore provisions section 192 of Act, 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. S. Kothari Mehta & Co.**

Chartered Accountants

Firm Registration No. 000756N

Neeraj Bansal

Partner

Place: New Delhi

Date: 29th May 2018

Membership No.095960

Annexure – “B” to the Independent Auditors’ Report

To
The Members of
Bharat Road Network 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 **Bharat Road Network Limited** (“the Company”) as of March 31, 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.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 standalone 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:

- 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 authorisations of Management and Directors of the Company; and
- c) provide reasonable assurance regarding prevention or timely

detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the standalone 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 generally operating effectively as at March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **S. S. Kothari Mehta & Co.**

Chartered Accountants

Firm Registration No. 000756N

Neeraj Bansal

Partner

Place: New Delhi

Date: 29th May 2018

Membership No.095960

Balance Sheet as at March 31, 2018

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
I. ASSETS				
Non-Current Assets				
(a) Property, plant and equipment	2	15.51	3.06	1.48
(b) Other Intangible Assets	3	1.93	1.66	0.49
(c) Financial Assets				
(i) Investments	4	1,11,400.10	64,315.06	43,123.28
(ii) Other Financial Assets	5(i)	–	–	6,611.90
(d) Other Non-Current Assets	6(i)	–	–	30.70
Total Non-Current Assets		1,11,417.54	64,319.78	49,767.85
Current Assets				
(a) Financial Assets				
(i) Trade Receivables	7	4,328.81	1,178.23	843.45
(ii) Cash and Cash Equivalents	8	367.38	1,571.62	3.32
(iii) Bank Balance Other than Cash and Cash Equivalents	9	300.65	–	–
(iv) Loans	10	19,832.96	4,344.51	1,084.11
(v) Other Financial Assets	5(ii)	2,402.92	905.75	782.86
(b) Current Tax Assets (Net)	11 (i)	–	250.75	229.02
(c) Other Current Assets	6(ii)	62.14	20.49	1.41
Total Current Assets		27,294.86	8,271.35	2,944.17
Total Assets		1,38,712.40	72,591.13	52,712.02
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	12	8,395.00	5,465.00	1,000.00
(b) Other Equity	13	1,08,562.93	51,827.95	(26.89)
Total Equity		1,16,957.93	57,292.95	973.11
Liabilities				
Non - Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	14(i)	8,300.00	9,695.28	50,246.10
(b) Provisions	15(i)	109.28	79.15	15.92
(c) Deferred Tax Liabilities (Net)	16	293.79	–	–
Total Non-Current Liabilities		8,703.07	9,774.43	50,262.02
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	14(ii)	5,000.00	5,300.00	1,026.94
(ii) Trade Payables	17	356.33	0.70	41.61
(iii) Other Financial Liabilities	18	7,377.55	172.17	358.11
(b) Other Current Liabilities	19	116.08	44.72	48.86
(c) Provisions	15(ii)	11.29	6.16	1.37
(d) Current Tax Liabilities (Net)	11 (ii)	190.15	–	–
Total Current Liabilities		13,051.40	5,523.75	1,476.89
Total Equity and Liabilities		1,38,712.40	72,591.13	52,712.02

The accompanying notes 1 to 32 are an integral part of the Financial Statements.

As per our report of even date attached

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner
Membership No.095960

Place : New Delhi
Date : 29th May, 2018

For and on behalf of the Board of Directors

Bajrang K Choudhary
Managing Director
DIN: 00441872

Naresh Mathur
Company Secretary

Brahm Dutt
Chairman
DIN: 05308908

Sanjay Banka
Chief Financial Officer
Place : Kolkata

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

(₹ in lakhs)

Particulars	Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
I. Revenue From Operations	20	3,333.41	1,428.10
II. Other Income	21	3,084.02	244.73
III. Total income (I+II)		6,417.43	1,672.83
IV. Expenses:			
Employee Benefits Expense	22	664.08	379.95
Finance Costs	23	872.51	858.82
Depreciation and Amortisation Expense	24	3.25	1.07
Other Expenses	25	825.93	159.05
Total Expenses (IV)		2,365.77	1,398.89
V. Profit Before Exceptional Items and Tax (III-IV)		4,051.66	273.94
VI. Exceptional Items		–	–
VII. Profit Before Tax (V-VI)		4,051.66	273.94
VIII. Tax Expense	26		
Current Tax		863.90	53.82
Deferred Tax		295.96	–
IX. Profit For The Year (VII-VIII)		2,891.80	220.12
X. Other Comprehensive Income			
(i) Items that will not be reclassified to Profit or Loss:			
- Remeasurement of the defined benefit plans		(7.44)	(32.42)
(ii) Income tax relating to items that will not be reclassified to Profit or Loss	26	2.17	–
Total Other Comprehensive Income		(5.27)	(32.42)
XI. Total Comprehensive Income For The Year (IX + X)		2,886.53	187.70
XII. Earnings Per Equity Share (of ₹ 10/- each)	27.2		
Basic (₹)		4.09	0.79
Diluted (₹)		4.09	0.79

The accompanying notes 1 to 32 are an integral part of the Financial Statements.

As per our report of even date attached

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No. 000756N

For and on behalf of the Board of Directors

Neeraj Bansal
Partner
Membership No.095960

Bajrang K Choudhary
Managing Director
DIN: 00441872

Brahm Dutt
Chairman
DIN: 05308908

Place : New Delhi
Date : 29th May, 2018

Naresh Mathur
Company Secretary

Sanjay Banka
Chief Financial Officer
Place : Kolkata

Cash Flow Statement for the year ended March 31, 2018

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A. Cash Flow from Operating Activities		
Net Profit Before Tax	4,051.66	273.94
Adjustments for:		–
Depreciation and Amortisation Expense	3.25	1.07
Finance Costs	872.51	858.83
Bad debts	–	12.54
Loss on sale of investments	–	6.71
Interest Income	(1,752.43)	(307.51)
Interest on income tax refund	(9.45)	(5.74)
Net (gain)/loss on Fair Valuation of Investments	(1,076.14)	68.95
Other Income	(246.00)	–
Liability no longer required written back	–	(0.43)
Operating Profit before Working Capital Changes	1,843.40	908.36
Increase/(Decrease) in Trade Payables, other liabilities and provisions	465.25	24.03
Decrease/(Increase) in trade receivables, loans, advances and other assets	(3,426.82)	(2,775.75)
Cash generated from/(used in) Operating activities	(1,118.17)	(1,843.36)
Direct Taxes paid (Net of refunds)	(413.55)	(69.82)
Net Cash flow from/(used in) Operating Activities	(1,531.72)	(1,913.18)
B. Cash Flow from Investing Activities		
Payments for Fixed Assets (including Intangible Assets)	(15.97)	(3.81)
Inter Corporate Deposits given	–	(954.39)
Increase in Investments	(38,207.60)	(19,330.93)
Sale of Investments	–	2,973.81
Unsecured loans to Associates/Subsidiaries	(15,188.45)	–
Advance against Warrant/Optionally convertible debenture	–	5,227.00
Interest received	390.01	723.56
Net Cash flow from/(used in) Investing activities	(53,022.01)	(11,364.76)

Cash Flow Statement for the year ended March 31, 2018

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
C. Cash Flow from Financing Activities		
Proceeds from issuance of share capital (net of share issue expenses)	57,283.90	56,132.14
Repayment of long term borrowings	(7,568.28)	(58,152.86)
Proceeds from long term borrowings	6,173.00	17,602.04
Proceeds from/(Repayment of) short term borrowings (net)	(300.00)	4,275.00
Interest paid	(1,733.68)	(5,010.08)
Dividend including dividend tax paid	(505.45)	–
Net Cash Flow from/(used in) Financing Activities	53,349.49	14,846.24
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(1,204.24)	1,568.30
Opening Cash and Cash Equivalents (Refer Note No.8)	1,571.62	3.32
Closing Cash and Cash Equivalents (Refer Note No.8)	367.38	1,571.62

Note:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS -7 "Statement of Cash Flow".
- Interest paid is inclusive of and Investments is exclusive of interest capitalised ₹649.01 lakhs (March 31, 2017: ₹ 3494.72 lakhs). Similarly, interest of ₹254.81 lakhs (March 31, 2017: ₹ 435.60 lakhs) earned on advances and adjusted with borrowing costs, has been included in interest received to the extent realised during the year.
- During the year, Share/debenture application money given aggregating to ₹ Nil (March 31, 2017: ₹ 1384.90 lakhs) have been converted into investments in Equity Shares/debenture.

The accompanying notes 1 to 32 are an integral part of the Financial Statements.

As per our report of even date attached

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner
Membership No.095960

Place : New Delhi
Date : 29th May, 2018

For and on behalf of the Board of Directors

Bajrang K Choudhary
Managing Director
DIN: 00441872

Naresh Mathur
Company Secretary

Brahm Dutt
Chairman
DIN: 05308908

Sanjay Banka
Chief Financial Officer
Place : Kolkata

Statement of Changes in Equity for the year ended March 31, 2018

A. Equity Share Capital:

(₹ in lakhs)

Particulars	Balance at the beginning of the year	Change in equity share capital during the year	Balance at the end of the year
For the year ended March 31, 2016	1,000.00	–	1,000.00
For the year ended March 31, 2017	1,000.00	4,465.00	5,465.00
For the year ended March 31, 2018	5,465.00	2,930.00	8,395.00

b. Other Equity:

(₹ in lakhs)

Particulars	Reserve and Surplus		Items of Other Comprehensive Income	Total Other Equity
	Securities Premium Reserve	Retained Earnings	Remeasurements of the defined benefit plans	
Balance as of April 1, 2016	–	(26.89)	–	(26.89)
Profit for the year	–	220.12	–	220.12
Other Comprehensive Income	–	–	(32.42)	(32.42)
Total Comprehensive Income for the year	–	193.23	(32.42)	160.81
Premium received on issue of shares	51,967.50	–	–	51,967.50
Utilized for share issue expenses	(300.36)	–	–	(300.36)
Balance as of March 31, 2017	51,667.14	193.23	(32.42)	51,827.95
Profit for the year	–	2,891.80	–	2,891.80
Other Comprehensive Income	–	–	(5.27)	(5.27)
Total Comprehensive Income for the year	–	2,891.80	(5.27)	2,886.53
Premium received on issue of shares	57,135.00	–	–	57,135.00
Interim Dividends (FY 2017-18 : ₹0.50 per share)	–	(505.45)	–	(505.45)
Utilized for share issue expenses	(2,781.10)	–	–	(2,781.10)
Balance as of March 31, 2018	1,06,021.04	2,579.58	(37.69)	1,08,562.93

Securities Premium Reserves

Securities premium reserves is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

Retained Earnings

The reserve represent the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 32 are an integral part of the Financial Statements.

As per our report of even date attached

For S.S. Kothari Mehta & Co.

Chartered Accountants

Firm Registration No. 000756N

Neeraj Bansal

Partner

Membership No.095960

Place : New Delhi

Date : 29th May, 2018

For and on behalf of the Board of Directors

Bajrang K Choudhary

Managing Director

DIN: 00441872

Naresh Mathur

Company Secretary

Brahm Dutt

Chairman

DIN: 05308908

Sanjay Banka

Chief Financial Officer

Place : Kolkata

Notes to the financial statements for the year ended March 31, 2018

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

(A) Corporate Information

BRNL is domiciled and incorporated in India and its shares are quoted on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') w.e.f. 18th September, 2017. The Registered Office of the Company is at 5th Floor, 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046.

The Company is presently engaged in the business of designing, building, operating, maintaining and carrying out all other activities pertaining to road projects. As per the guidelines of respective Government Authority and the requirements of the Concession Agreements, such road projects are required to be implemented under the Built, Operate & Transfer (BOT) model by creating Special Purpose Vehicles (SPVs) so that after the concession period, the SPV can be transferred to the respective authority on an "as is where is basis". The Company has, therefore, invested in various road projects under the aforesaid SPV model.

(B) i) 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, 2017 and therefore Ind AS issued, notified and made effective till the financial statements are authorised have been considered for the purpose of preparation of these financial statements.

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, 2016.

The financial statement upto the year ended March 31, 2017, were prepared as per the previous GAAP under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles and Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 then applicable to the Company Previous GAAP figures in the Financial Statements have now been restated in compliance to Ind AS.

In accordance with Ind AS 101 - "First Time adoption of Indian Accounting Standards", the Company has presented within Note 30 a reconciliation of Shareholders' equity as given earlier under previous GAAP and those considered in these accounts as per Ind AS as at March 31, 2017, and April 1, 2016 and also the Net Profit as per previous GAAP and that arrived including Other Comprehensive Income under Ind AS for the year ended March 31, 2017. The mandatory exceptions and optional exemptions availed by the Company on First-time adoption have been detailed in Note 1.22 of the financial statement.

ii) Recent Pronouncement

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 April 1, 2018. The Company is evaluating the effect of this on the financial statements.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customer. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. 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 customer.

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 effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly

Notes to the financial statements for the year ended March 31, 2018

comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The company is evaluating the effect on adoption of Ind AS 115.

(C) Significant Accounting Policies

1.1 Basis of Preparation

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

Historical cost convention is generally based on 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. All 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 two decimal lakhs except otherwise stated.

1.2 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:

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

Level 2 : inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability

Level 3 : inputs for the asset or liability which are not based on observable market data.

1.3 Property Plant and Equipment (PPE)

- (i) Freehold land is carried at historical cost. All other items of PPE are stated at their cost of acquisition or construction and is net of accumulated depreciation. Carrying value of PPE on the date of transition has been considered to be deemed cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.
- (ii) All project related expenses via civil works, machinery under erection, construction and erection materials, pre-operative expenditure net of revenue incidental / attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations are shown under Capital Work -In-Progress (CWIP).
- (iii) Depreciation on property plant and equipment commences when the assets are ready for their intended use.
- (iv) Depreciation on PPE is provided on the straight-line method over the useful lives of the respective asset as specified in Part C of Schedule II to Companies Act, 2013. The useful life of assets considered for depreciation as above are as follows:

Category	Useful life (years)
Computers	3, 6 years
Furniture & fixtures	10 years
Office equipments	5 years

- (v) The residual values, useful lives and method of depreciation of assets are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (vi) Cost of leasehold lands are amortised under the straight line method over the related lease period.
- (vii) Assets constructed/acquired in relation to assets taken on operating lease are amortised over the primary period of lease.

1.4 Intangible Assets

Recognition and initial measurement

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amount of amortization and impairment losses. Such assets, are amortised over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Accordingly, cost of computer software packages has been allocated / amortised over a period of 6 years on straight line basis

Notes to the financial statements for the year ended March 31, 2018

1.5 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 sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

1.6 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.

1.7 Leases

Leases are classified as finance leases whenever in terms of the lease all the risks and rewards incidental to the ownership of an asset are substantially transferred to the Company. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Any initial direct cost of the lessee is added to the amount recognized as an asset. Each Lease payment is apportioned between finance charge and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognized as expenses on a straight-line basis over the term of the lease unless the lease arrangement are structured to increase in the payments in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

1.8 Investments in Subsidiaries, Associates and Joint Ventures

The Company's investment in the equity shares of its subsidiaries, associates & joint ventures are recognised at cost. The company has elected to apply previous GAAP carrying amount of its equity investment in Subsidiaries, Associates & Joint Ventures as deemed cost as on the date of transition to Ind AS. However, the debt instruments in Subsidiaries, Associates & Joint Ventures are recognized at fair value.

1.9 Financial Assets and Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when 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 recognized 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 operating cycle of the company or otherwise these are classified as non current.

The financial instruments are classified to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) and such classification 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,

Notes to the financial statements for the year ended March 31, 2018

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 amortized 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 exactly 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, the principal is considered to be 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 (FVTPL)

Financial Instruments which do not meet the criteria of amortized 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.

(vi) Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value (except equity investment in subsidiary, associates and joint ventures). For equity instruments, the company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable if the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

1.10 Financial guarantee contracts

Financial guarantee contracts other than those which are in the nature of Insurance are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortization.

1.11 Impairment of Financial Assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial instrument 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.

Notes to the financial statements for the year ended March 31, 2018

1.12 De-recognition 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.

1.13 Inventories

Inventories are valued at lower of cost or net realisable value

Cost is calculated on weighted average basis and includes expenditure incurred for bringing such inventories to their present location and condition. Adjustments in the carrying amount of obsolete, defective and slow moving items as may be identified at the time of physical verification is made where appropriate, to cover any eventual loss on their ultimate realisation.

1.14 Foreign Currency Transactions

Presentation currency:

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the company.

Transactions and balances:

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the profit and loss account. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost.

1.15 Provision, 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 recognized 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 is 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 disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

1.16 Post-employment, long term and short term employee benefits

Defined contribution plans

Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Notes to the financial statements for the year ended March 31, 2018

Defined benefit plans

Gratuity (Unfunded)

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statement in respect of gratuity is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Short Term Employee Benefits

Recognised at the undiscounted amount as expense for the year in which the related service is provided.

1.17 Revenue Recognition

Service Revenue

Revenue from services is recognized in the period in which services are rendered. It is measured at fair value of consideration received or receivable for the services rendered. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company, it can be reliably measured and it is reasonable to expect ultimate collection.

Interest Income

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

Other Income

Other Income is recognized when right to receive is established.

1.18 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest rate method except to the extent attributable to qualifying asset which are capitalized to the cost of the related assets. A qualifying asset is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

1.19 Income Tax

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 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. Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense taxable on the basis different than that considered for recognition in the accounts and also due to the items that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent

Notes to the financial statements for the year ended March 31, 2018

that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

1.20 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.21 Use of Estimates and management judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The areas involving critical judgement are as follows:

i) Useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

ii) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

iii) Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate.

iv) Income Taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit

Notes to the financial statements for the year ended March 31, 2018

would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

v) Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

1.22 First-time adoption of Ind-AS

- i) These are the company's first financial statements prepared in accordance with Ind AS. For the year ended 31st March 2017, the company had prepared its financial statements in accordance with Companies (Accounting Standard) Rules 2006, notified under Section 133 of the Act and other relevant provisions of the Act (previous GAAP).

The accounting policies set out in note 1(C) have been applied in preparing the financial statements for the year ended 31 March 2018, including the comparative information for the year ended 31 March 2017 and then opening Ind AS balance sheet on the date of transition i.e. 1st April 2016.

In preparing its Ind AS balance sheet as at 1st April 2016 and in presenting the comparative information for the year end 31st March 2017, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the previous GAAP. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet and Statement of Profit and Loss, is set out in note 30.

ii) Exemptions and exceptions availed

Exemptions

a) Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the Company has elected to measure all of its property, plant and equipment at previous IGAAP value.

b) Investments in subsidiaries and associates

The company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries and associates as deemed cost as on the date of transition to Ind AS. However, the debt instruments in subsidiaries and associates are recognized at fair value.

iii) Estimates

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

FVTOCI – equity shares

Amortised cost – debt securities

Impairment of financial assets based on expected credit loss model.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2016, the date of transition to Ind AS and as of 31 March 2017.

iv) Exceptions

Classification and measurement of financial assets

The company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exists at the date of transition to Ind -AS.

Notes to the financial statements for the year ended March 31, 2018

2. PROPERTY, PLANT AND EQUIPMENT

As at March 31, 2018

(₹ in lakhs)

Particulars	Furniture and Fixtures	Computers	Office Equipment	Total
Cost				
Balance at April 1, 2017	–	2.88	1.08	3.96
Additions during the year	3.33	2.30	9.70	15.33
Disposals & other adjustments	–	–	–	–
Balance at March 31, 2018	3.33	5.18	10.78	19.29
Accumulated depreciation				
Balance at April 1, 2017	–	0.77	0.13	0.90
Depreciation expense for the year	0.18	1.41	1.29	2.88
Disposals & other adjustments	–	–	–	–
Balance at March 31, 2018	0.18	2.18	1.42	3.78
Carrying amount				
Balance at April 1, 2017	–	2.11	0.95	3.06
Additions during the year	3.33	2.30	9.70	15.33
Depreciation expense	0.18	1.41	1.29	2.88
Disposals & other adjustments	–	–	–	–
Balance at March 31, 2018	3.15	3.00	9.36	15.51
Net book value as at March 31, 2018	3.15	3.00	9.36	15.51
Net book value as at March 31, 2017	–	2.11	0.95	3.06

As at March 31, 2017

(₹ in lakhs)

Particulars	Furniture and Fixtures	Computers	Office Equipment	Total
Cost				
Balance at April 1, 2016	–	1.08	0.40	1.48
Additions during the year	–	1.80	0.68	2.48
Disposals & other adjustments	–	–	–	–
Balance at March 31, 2017	–	2.88	1.08	3.96
Accumulated depreciation				
Balance at April 1, 2016	–	–	–	–
Depreciation expense for the year	–	0.77	0.13	0.90
Disposals & other adjustments	–	–	–	–
Balance at March 31, 2017	–	0.77	0.13	0.90
Carrying amount				
Balance at April 1, 2016	–	1.08	0.40	1.48
Additions during the year	–	1.80	0.68	2.48
Depreciation expense	–	0.77	0.13	0.90
Disposals & other adjustments	–	–	–	–
Balance at March 31, 2017	–	2.11	0.95	3.06
Net book value as at March 31, 2017	–	2.11	0.95	3.06
Net book value as at April 1, 2016	–	1.08	0.40	1.48

Notes to the financial statements for the year ended March 31, 2018

3. OTHER INTANGIBLE ASSETS

As at March 31, 2018

(₹ in lakhs)

Particulars	Computer Software	Total
Cost		
Balance at April 1, 2017	1.83	1.83
Additions during the year	0.64	0.64
Disposals & other adjustments	–	–
Balance at March 31, 2018	2.47	2.47
Accumulated depreciation		
Balance at April 1, 2017	0.17	0.17
Amortisation expense for the year	0.37	0.37
Disposals & other adjustments	–	–
Balance at March 31, 2018	0.54	0.54
Carrying amount		
Balance at April 1, 2017	1.66	1.66
Additions during the year	0.64	0.64
Amortisation expense	0.37	0.37
Disposals & other adjustments	–	–
Balance at March 31, 2018	1.93	1.93
Net book value as at March 31, 2018	1.93	1.93
Net book value as at March 31, 2017	1.66	1.66

As at March 31, 2017

(₹ in lakhs)

Particulars	Computer Software	Total
Cost		
Balance at April 1, 2016	0.49	0.49
Additions during the year	1.34	1.34
Disposals & other adjustments	–	–
Balance at March 31, 2017	1.83	1.83
Accumulated depreciation		
Balance at April 1, 2016	–	–
Amortisation expense for the year	0.17	0.17
Disposals & other adjustments	–	–
Balance at March 31, 2017	0.17	0.17
Carrying amount		
Balance at April 1, 2016	0.49	0.49
Additions during the year	1.34	1.34
Amortisation expense	0.17	0.17
Disposals & other adjustments	–	–
Balance at March 31, 2017	1.66	1.66
Net book value as at March 31, 2017	1.66	1.66
Net book value as at April 1, 2016	0.49	0.49

Notes to the financial statements for the year ended March 31, 2018

4. NON-CURRENT INVESTMENTS

Particulars	Face Value (₹)	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
		Nos.	₹ in lakhs	Nos.	₹ in lakhs	Nos.	₹ in lakhs
I) Investments in Unquoted Equity Instruments Fully paid ^{A,C,D}							
a) In Subsidiaries (at cost unless stated otherwise)							
Solapur Tollways Pvt. Ltd.	10	4,95,100	80.26	4,95,100	78.23	4,90,200	72.01
Orissa Steel Expressway Pvt. Ltd. ^E	10	4,65,34,600	7,155.37	4,65,34,600	7,155.37	–	–
Guruvayoor Infrastructure Pvt Ltd. ^F	10	12,49,98,606	16,144.21	–	–	–	–
b) In Associates (at cost unless stated otherwise)							
Orissa Steel Expressway Pvt. Ltd. ^E	10	–	–	–	–	3,49,49,667	5,523.14
Kurukshetra Expressway Pvt. Ltd.	10	5,10,86,910	11,445.94	5,10,86,910	11,284.13	3,05,81,950	9,257.72
Ghaziabad Aligarh Expressway Pvt. Ltd.	10	7,56,60,000	15,424.58	7,56,60,000	15,206.54	7,56,55,000	14,087.47
Shree Jagannath Expressways Pvt. Ltd.	10	5,91,48,000	11,216.70	5,91,48,000	11,058.13	3,84,52,400	6,006.79
Guruvayoor Infrastructure Pvt Ltd. ^F	10	–	–	8,27,80,000	11,404.90	4,52,70,000	7,625.70
Potin Pangin Highways Pvt. Ltd. (cease to be associate w.e.f. 12th November 2016)	10	–	–	–	–	20,000	2.75
Mahakaleshwar Tollways Pvt. Ltd. (associates w.e.f October 28, 2016)	10	4,99,95,000	1,499.85	4,99,95,000	1,499.85	–	–
			62,966.91		57,687.15		42,575.58
II) Investment in Unquoted Unsecured Optionally Convertible Debentures Fully paid ^{A,B,C}							
a) In Subsidiaries (at fair value through profit or loss)							
Solapur Tollways Pvt. Ltd.	10	6,58,20,000	6,586.45	–	–	–	–
Guruvayoor Infrastructure Pvt Ltd. ^F	10	5,71,29,700	6,192.27	–	–	–	–
b) In Associates (at fair value through profit or loss)							
Kurukshetra Expressway Pvt. Ltd.	10	9,31,43,600	9,319.84	51,84,200	463.15	–	–
Potin Pangin Highways Pvt. Ltd. (cease to be associate w.e.f. 12th November 2016)	10	–	–	–	–	19,85,500	275.89
Mahakaleshwar Tollways Pvt. Ltd. (Associates w.e.f October 28, 2016)	10	2,93,76,600	2,940.14	–	–	27,18,100	271.81
			25,038.70		463.15		547.70
III. In Unquoted Warrants Fully paid A							
a) In Subsidiaries (at cost)							
Solapur Tollways Pvt. Ltd.	10	17,64,20,000	17,704.51	1,05,00,000	1,084.42	–	–
b) In Associates (at fair value through profit or loss)							
Ghaziabad Aligarh Expressway Pvt. Ltd.	10	4,81,88,780	5,689.98	4,81,88,780	5,080.34	–	–
			23,394.49		6,164.76		–
Aggregate amount of Unquoted Investments (I+II+III)			1,11,400.10		64,315.06		43,123.28
Aggregate amount of impairment in the value of investments			–		–		–

^A Refer Note 27.4

^B The Unsecured Optionally Convertible Debentures does not carry any fixed rate of interest. Rate of interest, subject to maximum of 16% cumulative interest, shall be decided at the end of every Financial Year based on the residual cash flows of the respective subsidiaries and associates after servicing their respective Senior Lenders.

Notes to the financial statements for the year ended March 31, 2018

4. NON-CURRENT INVESTMENTS (contd..)

^C Investment in Equity Shares and Optionally Convertible Debenture of Kurukshetra Expressway Pvt. Ltd. includes 13670530 units (March 31, 2017 : 13670530 units, April 1, 2016 : nil) and 87959400 units (March 31, 2017 : Nil, April 1, 2016 : Nil) respectively, which are in the process of transfer in the name of the Company as on March 31, 2018.

^D The Company has pledged its following investments in equity shares of various SPVs aggregating to ₹26,268.82 Lakhs (As at 31st March 2017: ₹26,385.01 Lakhs, As at April 1, 2016: ₹26,872.50 Lakhs), in favour of lenders for term loan facilities availed by respective SPVs :

Particulars	As at March 31, 2018 (No. of shares)	As at March 31, 2017 (No. of shares)	As at April 01, 2016 (No. of shares)
Solapur Tollways Pvt. Ltd.	2,52,501	2,52,501	2,52,501
Orissa Steel Expressway Pvt. Ltd.	1,71,25,238	1,71,25,238	1,71,25,238
Kurukshetra Expressway Pvt. Ltd.	1,69,11,420	1,69,11,420	1,69,11,420
Ghaziabad Aligarh Expressway Pvt. Ltd.	3,85,86,600	3,85,86,600	3,85,86,600
Shree Jagannath Expressways Pvt. Ltd.	3,01,65,480	3,01,65,480	3,01,65,480
Potin Pangin Highways Pvt. Ltd.	–	–	5,355
Guruvayoor Infrastructure Pvt Ltd.	4,22,18,106	4,22,18,106	4,22,18,106
Mahakaleshwar Tollways Pvt. Ltd.	2,54,97,450	2,54,97,450	–

^E Orissa Steel Expressway Pvt. Ltd. and Guruvayoor Infrastructure Pvt Ltd. cease to be associate and became subsidiary w.e.f. November 12, 2016 and March 28, 2018 respectively.

^F During the year, the Company has acquired further 24.99% stake in the equity shares of Guruvayoor Infrastructure Private Limited (GIPL) in addition to the 49% stake in the equity shares already held by the Company. Consequently GIPL became subsidiary of the Company w.e.f. March 28, 2018 with 73.99% stake in its equity shares.

5. (I) OTHER FINANCIAL ASSET - NON-CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance against Warrant/ Optionally Convertible Debentures to related parties (Refer Note No. 28.1)	–	–	6,611.90
Total	–	–	6,611.90

5. (II) OTHER FINANCIAL ASSET - CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Interest accrued and due on loan (includes due from related parties (Refer note 28.1))	2,059.78	669.52	245.41
Interest accrued but not due on loans to related parties (Refer note 28.1)	79.92	108.93	513.64
Interest accrued on fixed deposit	10.72	0.15	–
Advance to Suppliers and Others	252.50	125.50	0.53
Advance to Staffs	–	1.65	0.03
Other receivables	–	–	23.25
Total	2,402.92	905.75	782.86

6. (I) OTHER NON-CURRENT ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unallocated borrowing cost	–	–	30.70
Total	–	–	30.70

6. (II) OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(Advances other than capital advances)			
Advance to Suppliers and Others	5.50	0.60	–
Balances with Statutory Authorities	54.21	18.09	–
Prepaid Expenses	2.43	1.80	1.41
Total	62.14	20.49	1.41

7. TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, Considered good			
Trade Receivables	4,328.81	1,178.23	843.45
Total	4,328.81	1,178.23	843.45

8. CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with Banks			
In current accounts	367.20	471.62	3.32
Deposits with original maturity less than three months	–	1,100.00	–
Unclaimed Dividend Account	0.18	–	–
Total	367.38	1,571.62	3.32

9. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Earmarked balances with Banks			
Fixed deposits with banks (Upto 12 months maturity)	300.65	–	–
(Under Lien with bank as margin money against Bank Guarantee)			
Total	300.65	–	–

10. LOANS - CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, Considered good			
Unsecured demand Loan to related parties (Refer Note No.28.1)	17,483.42	2,294.97	–
Inter corporate deposits given to related party (Refer Note No.28.1)	2,038.50	2,038.50	1,084.11
Security Deposit	311.04	11.04	–
Total	19,832.96	4,344.51	1,084.11

Notes to the financial statements for the year ended March 31, 2018

11. (I) CURRENT TAX ASSETS (NET)

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Tax deducted at source and advance tax	–	299.49	229.02
Less: Provision for taxation	–	48.74	–
Total	–	250.75	229.02

11. (II) CURRENT TAX LIABILITIES (NET)

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for taxation	907.44	–	–
Less: Tax deducted at source and advance tax	717.29	–	–
Total	190.15	–	–

12. EQUITY SHARE CAPITAL

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
(a) Authorised						
Equity shares of par value ₹ 10/- each	10,00,00,000	10,000.00	10,00,00,000	10,000.00	1,00,00,000	1,000.00
		10,000.00		10,000.00		1,000.00
(b) Issued, subscribed and fully paid up						
Equity shares of par value ₹ 10/- each fully paid up	8,39,50,000	8,395.00	5,46,50,000	5,465.00	1,00,00,000	1,000.00
		8,395.00		5,465.00		1,000.00

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
At the beginning of the year	5,46,50,000	5,465.00	1,00,00,000	1,000.00	1,00,00,000	1,000.00
Add:- Issued during the year	2,93,00,000	2,930.00	4,46,50,000	4,465.00	–	–
At the end of the year	8,39,50,000	8,395.00	5,46,50,000	5,465.00	1,00,00,000	1,000.00

- (d) Pursuant to Initial Public Offering (IPO), the Company has issued 2,93,00,000 equity shares of ₹ 10 each at a premium of ₹ 195/- per share in financial year 2017-18. The equity shares of the Company are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), w.e.f. 18th September, 2017. The details of utilisation of IPO proceeds are as follows:

(₹ in lakhs)

Particulars	Net proceeds as per Prospectus
Gross proceeds of the Issue	60,065.00
Less: Estimated issue related expenses	3,281.10
Net Proceeds	56,783.90
Add: Saving in issue related expenses	199.64
Total	56,983.54

Notes to the financial statements for the year ended March 31, 2018

Utilisation of Issue proceeds

(₹ in lakhs)

Particulars	Objects of the issue as per prospectus	Utilisation till March 31, 2018	Amount pending Utilisation
STPL sponsor investment	5,147.00	5,147.00	–
Acquisition of the sub-ordinate debt in the form of unsecured loan/ OCPIDs/ Warrants/ OCDs, advanced in the identified SPVs	37,225.30	37,225.30	–
Issue related expenses (net of saving of ₹199.64 lakhs)	3,081.46	3,081.46	–
General corporate purposes (Including saving in issue related expenses of ₹199.64 lakhs)	14,611.24	14,611.24	–
Total	60,065.00	60,065.00	–

- (e) IPO related expenses aggregating to ₹3,081.46 lakhs incurred upto March 31, 2018 has been adjusted against Securities Premium Account.
- (f) During financial year 2016-17, the Company has issued 1,80,00,000 equity shares of ₹ 10 each at par on right basis and 2,66,50,000 equity shares of ₹ 10 each at a premium of ₹ 195/- per share on private placement basis, whereby outstanding equity shares of the Company as on March 31, 2017 increased to 5,46,50,000.
- (g) The Company has neither issued bonus shares, bought back any equity shares nor has allotted any equity shares as fully paid up without payment being received in cash during five years immediately preceding March 31, 2018.

(h) **The rights, preferences and restrictions attached to each class of equity shares are as under:**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Dividend when declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(i) **Shareholders holding more than 5 % of the equity shares in the Company :**

Name of the shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Srei Venture Capital Trust A/c-Infrastructure Project Development Fund	70,49,800	8.40%	70,49,800	12.90%	49,400	0.49%
Srei Infrastructure Finance Limited	1,66,30,000	19.81%	1,66,30,000	30.43%	–	–
OSPL Infradeal Pvt. Ltd.	95,20,000	11.34%	95,20,000	17.42%	–	–
Srei Venture Capital Trust A/c-Infrastructure Project Development Capital	2,09,50,000	24.96%	2,09,50,000	38.33%	99,50,000	99.50%
Vistar Financiers Pvt. Ltd.	63,84,806	7.61%	–	–	–	–

- (j) Further to Interim Dividend of 5% declared by the Board and paid in current reporting year; On May 29, 2018, the Board of Directors has recommended final dividend of Re. 0.50 (5%) per Equity Share of ₹10/- each for the financial year ended March 31, 2018, subject to approval of the shareholders at the ensuing Annual General Meeting.

Notes to the financial statements for the year ended March 31, 2018

13. OTHER EQUITY

(₹ in lakhs)

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
(a) Securities premium reserve						
Balance as per last account	51,667.14		–		–	
Add:- Premium received on issue of shares (refer note 12(f))	57,135.00		51,967.50		–	
Less:- Utilized for share issue expenses (refer note 12 (e))	2,781.10		300.36		–	
Closing Balance		1,06,021.04		51,667.14		–
(b) Retained earnings						
Balance as per last account	193.23		(26.89)		(26.89)	
Add: Net Profit for the year	2,891.80		220.12		–	
Less: Interim Dividend Payout	(420.00)		–		–	
Less: Corporate Dividend Tax	(85.45)		–		–	
Closing balance		2,579.58		193.23		(26.89)
(c) Other comprehensive income						
Balance as per last account	(32.42)		–		–	
Add: Other comprehensive income for the year	(5.27)		(32.42)		–	
Closing Balance		(37.69)		(32.42)	–	–
Total		1,08,562.93		51,827.95		(26.89)

14. (I) BORROWINGS - NON CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Carried at amortized cost			
i) Secured			
Term Loan from Financial Institutions	8,300.00	9,695.28	50,246.10
Total	8,300.00	9,695.28	50,246.10

Repayment Schedule as at March 31, 2018

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Year	
Secured Term Loan					
Term Loan 6	–	–	–	–	–
Term Loan 7	–	7,000.00	–	–	7,000.00
Term Loan 8	1,300.00	–	–	–	1,300.00
	1,300.00	7,000.00	–	–	8,300.00

Repayment Schedule as at March 31, 2017

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Year	
Secured Term Loan					
Term Loan 6	1,796.86	898.43	–	–	2,695.28
Term Loan 7	–	7,000.00	–	–	7,000.00
	1,796.86	7,898.43	–	–	9,695.28

Notes to the financial statements for the year ended March 31, 2018

Repayment Schedule as at April 1, 2016

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Year	
Secured Term Loan					
Term Loan 1	–	2,268.00	1,134.00	–	3,402.00
Term Loan 2	3,909.40	1,954.70	–	–	5,864.10
Term Loan 3	–	3,733.33	1,866.67	–	5,600.00
Term Loan 4	14,988.49	–	–	–	14,988.49
Term Loan 5	15,000.00	–	–	–	15,000.00
Term Loan 6	5,391.51	–	–	–	5,391.51
	39,289.40	7,956.03	3,000.67	–	50,246.10

Rupee term loans 1, 2, 3 & 4 are secured by way of first charge on all cash flow & all moveable assets (both present & future), pledge (along with Power of Attorney) of entire shareholding of the Company held by Infrastructure Project Development Fund (IPDF) and Infrastructure Project Development Capital (IPDC) and demand promissory note covering the principal and interest repayment. Interest is payable quarterly, compounding on monthly rest @ SBR-4% per annum. All these loan facilities have been prepaid in full during financial year 2016-17.

Rupee term loans 5 and 6 are secured by way of first charge on all cash flow & all moveable assets (both present & future), pledge (along with Power of Attorney) of entire shareholding of the Company held by Infrastructure Project Development Capital (IPDC) and demand promissory note covering the principal and interest repayment. Interest is payable quarterly, compounding on monthly rest @ SBR-4% per annum. Loan facilities 5 and 6 have been prepaid in full during financial year 2016-17 and 2017-18 respectively.

Rupee term loan 7 is secured by way of first pari passu charge by way of hypothecation of the entire movable fixed assets (both present and future), entire current assets including but not limited to book debts, operating cash flows, receivables, loans and advances, deposits, commissions, investments, revenue of whatsoever nature and wherever arising, both present and future, long term loans and advances and non-current investments (both present and future) and demand promissory note covering the principal, interest and all other amounts. Interest is payable quarterly in arrears @ 12.75% (fixed) per annum.

Rupee term loan 8 is secured by way of first pari passu charge on all cash flows and all moveable assets of the Borrower (both present and future) by the way of hypothecation under the Deed of Hypothecation and Demand Promissory Note for the principal and the Interest payments/repayment and other monies in relation to the Loan facility. Interest to be compounded monthly and paid quarterly in arrears at the end of June, September, December and March of each year @ SBR-5.75% per annum.

14. (II) BORROWINGS - CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Carried at amortized cost			
Unsecured: -			
Loan from Financial Institution (NBFC)	5,000.00	5,000.00	–
Book Overdraft	–	–	1.94
Inter Corporate Deposit (ICD) from others	–	300.00	1,025.00
Total	5,000.00	5,300.00	1,026.94

Terms of repayment of Unsecured Current borrowing:

- Principal loan amount of ₹5,000.00 lakhs (As at March 31, 2017 : ₹ 5000.00 lakhs) was repayable at the end of one year (i.e. December 14, 2017) from the date of disbursement, which remained unpaid as on March 31, 2018 alongwith due interest of ₹166.44 lakhs. The loan carries Interest @ 12.50% per annum payable quarterly.
- Principal ICD amount of ₹ Nil (As at March 31, 2017 : ₹300 lakhs) was repayable at the end of 6 months. Interest was payable on maturity @ 9% per annum. The lenders had right to recall the ICD amount in full or part.
- Principal ICD amount of ₹1025.00 lakhs as at April 1, 2016 was repayable at the end of one year. The lenders have right to recall the facility in part or full. Interest was payable on maturity @ 9% p.a.

Notes to the financial statements for the year ended March 31, 2018

15. (I) PROVISIONS - NON CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for employee benefits (Refer Note No. 27.1)			
- Gratuity	67.59	46.33	7.15
- Leave encashment	28.64	22.58	7.87
- Sick leave availment	13.05	10.24	0.90
Total	109.28	79.15	15.92

15. (II) PROVISIONS - CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for employee benefits (Refer Note No. 27.1)			
- Gratuity	1.70	0.44	0.04
- Leave encashment	6.60	3.78	1.19
- Sick leave availment	2.99	1.94	0.14
Total	11.29	6.16	1.37

16. DEFERRED TAX LIABILITIES (NET)

As at March 31, 2018

(₹ in lakhs)

Particulars	Opening Balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Depreciation and Amortisation	0.56	0.04	–	0.60
Fair valuation gain/(loss) on Investments	–	313.37	–	313.37
Tax effect of items constituting deferred tax assets				
Provision for Gratuity	0.56	17.45	2.17	20.18
Net book value as at March 31, 2017	–	295.96	(2.17)	293.79

As at March 31, 2017

(₹ in lakhs)

Particulars	Opening Balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Depreciation and Amortisation	(0.30)	–	–	(0.56)
Tax effect of items constituting deferred tax assets				
Provision for Gratuity	0.30	–	–	0.56
Net book value as at March 31, 2017	–	–	–	–

Notes to the financial statements for the year ended March 31, 2018

17. TRADE PAYABLES

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
A. Total outstanding dues of micro enterprises and small enterprises	–	–	–
B. Total outstanding dues of creditors other than micro enterprises and small enterprises	356.33	0.70	41.61
Total	356.33	0.70	41.61

The Company has not received any memorandum (as required to be filed by suppliers with the notified authority under the Micro, Small and Medium Enterprise Development Act, 2006) claiming their status as micro, small or medium enterprise. Consequently, the amount paid / payable including interest to these parties during the year 2017-18, 2016-17 and 2015-16 is Nil.

18. OTHER FINANCIAL LIABILITIES- CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Interest accrued but not due on Borrowings	0.43	124.22	345.16
Interest accrued and due on Borrowings	166.44	–	–
Other Payables			
Payable against Investment Purchased *	7,152.29	–	–
Liability for expenses	14.97	20.91	3.94
Salaries and other payroll dues	43.42	27.04	9.01
Total	7,377.55	172.17	358.11

* The dues are with respect to purchase of equity shares and optionally convertible debentures of Guruvayoor Infrastructure Private Limited.

19. OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Others			
Unclaimed Dividend	0.18	–	–
Service Tax payable	–	–	26.19
TDS Payable	110.70	40.80	20.27
PF Payable	5.18	3.88	2.40
ESI Payable	–	0.02	–
Profession Tax Payable	0.02	0.02	–
Total	116.08	44.72	48.86

20. REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sale of Services		
Consultancy Services	3,333.41	1,428.10
Total	3,333.41	1,428.10

Notes to the financial statements for the year ended March 31, 2018

21. OTHER INCOME

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest on Loan	1,800.14	742.94
Less:- Adjusted with corresponding Interest expenses	(254.81)	(435.60)
	1,545.33	307.34
Interest on Commercial Paper	83.32	–
Interest on Fixed Deposit with Bank	123.78	0.17
Interest on Income Tax refund	9.45	5.74
Net gain/(loss) on Fair Valuation of Investments	1,076.14	(68.95)
Miscellaneous Income	246.00	–
Liability no longer required written back	–	0.43
Total	3,084.02	244.73

22. EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, wages, bonus and allowances	627.43	361.73
Contribution to Provident & Other funds	28.44	16.32
Staff welfare expenses	8.21	1.90
Total	664.08	379.95

23. FINANCE COST

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest expense	1,521.52	4,353.54
Less:- Capitalised to Investments (Refer Note 27.4)	(649.01)	(3,494.72)
Total	872.51	858.82

24. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on property, plant and equipments(Refer Note 2)	2.88	0.90
Amortisation on Other intangible assets (Refer Note 3)	0.37	0.17
Total	3.25	1.07

Notes to the financial statements for the year ended March 31, 2018

25. OTHER EXPENSES

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Legal & Professional Fees	565.71	9.72
Travelling and Conveyance	147.46	80.77
Rent, Rates & Taxes	31.47	10.83
Repairs & Maintenance- Others	8.01	6.85
Communication Expenses	8.86	2.08
Advertisement & Publicity	1.56	–
Membership & Subscription	6.60	6.20
Demat Charges	2.37	0.01
Business Promotion Expenses	6.08	2.39
Bad Debts	–	12.54
Corporate Social Responsibility Expenses (refer note 28.2)	5.00	–
Tender Fees	2.45	–
Insurance	1.69	3.44
Loss on sale of Long Term Trade Investment	–	6.71
Payment to Auditors :		
- Fees for Statutory Audit & Limited Reviews	9.00	3.50
- Other Services (Certification etc.)	0.16	0.38
Director's Sitting Fees	16.85	11.05
Printing & Stationery	7.41	0.85
Bank Charges	4.70	–
Miscellaneous Expenses	0.55	1.73
Total	825.93	159.05

26. INCOME TAX EXPENSES

i) Income tax recognised in profit or loss

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Current tax		
- Tax for earlier year	0.43	0.02
- Current Tax	863.47	53.80
Total Current Tax	863.90	53.82
Deferred tax	295.96	–
Total Deferred Tax	295.96	–
Total	1,159.86	53.82

ii) Income tax recognised in OCI

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Deferred Tax on remeasurements of defined benefit plans	2.17	–
Total deferred tax relating to OCI items	2.17	–

Notes to the financial statements for the year ended March 31, 2018

iii) Reconciliation of tax expense and accounting profit

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Accounting profit before tax from continuing operations	4,051.66	273.94
Income tax expenses calculated @ 28.84% (2016-17 : 33.063%)	1,168.50	90.57
Net Effect of expenses not allowable as deduction	0.05	–
Benefit of previously unrecognised tax loss to reduce current tax expense	–	(7.72)
Other differences	(8.69)	(29.03)
Total	1,159.86	53.82

27. OTHER DISCLOSURES

27.1 Defined Benefit Plans/Long Term Compensated Absences :

Defined Contribution Plans:

The Company provides Provident Fund benefit to all employees. Under this scheme fixed contribution is made to the Regional Provident Fund Commissioner. The Company has no legal and constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay employee benefits.

Defined Benefit Plans:

The Employees' Gratuity scheme, Leave benefit scheme, and Sick Leave availment scheme are the Company's defined benefit plans. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

The following tables set out the details of amount recognized in the financial statements in respect of gratuity and leave benefits which is not funded:

(₹ in lakhs)

S. No.	Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
		Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
I	Change in Defined Benefit Obligations (DBO)				
	Present Value of DBO at beginning of the year	46.77	7.19	26.35	9.05
	Current Service Cost	11.74	6.60	7.75	4.97
	Interest cost	3.34	0.56	1.57	0.46
	Curtailment cost / (credit)	–	–	–	–
	Settlement cost / (credit)	–	–	–	–
	Past service Cost - Plan amendments	–	–	–	–
	Acquisitions	–	–	–	–
	Actuarial Losses / (Gains) - experience	11.30	28.37	9.41	16.46
	Actuarial Losses / (Gains) - demographic assumptions	–	–	–	–
	Actuarial Losses / (Gains) - financial assumptions	(3.86)	4.05	(1.18)	1.68
	Benefits Paid	–	–	(8.67)	(6.27)
	Employee contribution	–	–	–	–
	Other Adjustments	–	–	–	–
	Present Value of DBO	69.29	46.77	35.24	26.35

Notes to the financial statements for the year ended March 31, 2018

(₹ in lakhs)

S. No.	Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
		Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
II	Net assets / (liability) recognised in Balance Sheet				
	Present value of Defined Benefit Obligation	69.29	46.77	35.24	26.35
	Fair value of plan assets	–	–	–	–
	Funded status [Surplus/(Deficit)]	(69.29)	(46.77)	(35.24)	(26.35)
	Unrecognized past service cost	–	–	–	–
	Net asset/ (liability) recognised in Balance Sheet	(69.29)	(46.77)	(35.24)	(26.35)
	Current Asset / (Liability)	(1.70)	(0.44)	(6.60)	(3.78)
	Non Current Asset / (Liability)	(67.59)	(46.33)	(28.64)	(22.58)
III	Components of Employer Expenses				
	Current Service cost	11.74	6.60	7.75	4.97
	Past service Cost - Plan amendments	–	–	–	–
	Curtailment cost / (credit)	–	–	–	–
	Settlement cost / (credit)	–	–	–	–
	Interest cost	3.34	0.56	1.57	0.46
	Actuarial Losses / (Gains)	–	–	8.24	18.14
	Total expenses recognised in the Statement of Profit and Loss	15.08	7.16	17.56	23.57
	Re-measurements recognised in Other Comprehensive Income				
	Actuarial Losses / (Gains) - experience	11.30	28.37	9.41	16.46
	Actuarial Losses / (Gains) - demographic assumptions	–	–	–	–
	Actuarial Losses / (Gains) - financial assumptions	(3.86)	4.05	(1.18)	1.68
	Total Re-measurements recognised in Other Comprehensive Income	7.44	32.42	–	–
	Total expenses recognised in the Statement of Profit & Loss and Other Comprehensive income	22.52	39.58	17.56	23.57
IV	Actuarial Assumptions				
	Discount Rate	7.60%	7.15%	7.60%	7.15%
	Expected return on plan assets	NA	NA	NA	NA
	Salary Escalation	10.00%	10.00%	10.00%	10.00%
	Mortality	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)
	Retirement/ Superannuation Age	Employees: 60 yrs		Employees: 60 yrs	

Notes to the financial statements for the year ended March 31, 2018

(₹ in lakhs)

S. No.	Particulars	DBO as at March 31, 2018		DBO as at March 31, 2017	
		Gratuity	Leave	Gratuity	Leave
V	Expected benefits payments for the year ending				
	March 31, 2018	–	–	0.45	3.91
	March 31, 2019	1.77	6.84	0.71	2.32
	March 31, 2020	2.35	6.95	1.03	1.47
	March 31, 2021	2.70	4.03	1.28	1.01
	March 31, 2022	3.12	2.46	1.81	0.79
	March 31, 2023	3.46	2.60	–	–
	March 31, 2023 to March 31, 2027	–	–	25.73	5.46
	March 31, 2024 to March 31, 2028	45.04	25.59	–	–
VI	Weighted average duration of defined benefit obligations :	13 Years	8 years	15 Years	15 Years
VII	Accrued Benefit Obligation at 31 March 2018	41.04	19.95	14.09	11.89
VIII	Sensitivity Analysis				
	Discount Rate + 100 basis points	(7.75)	(2.37)	(6.06)	(2.51)
	Discount Rate - 100 basis points	8.94	2.72	7.20	2.97
	Salary Increase Rate +1%	4.45	2.63	4.71	2.90
	Salary Increase Rate -1%	(4.45)	(2.35)	(4.39)	(0.25)

Method used for sensitivity analysis: The Sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

(₹ in lakhs)

S. No.	Particulars	Sick Leave Benefit	
		Year ended March 31, 2018	Year ended March 31, 2017
	Assets/ Liabilities		
1	Defined Benefit Obligation	16.04	12.18
2	Fair Value of Plan Assets	–	–
3	Current Asset / (Liability)	(2.99)	(1.94)
4	Non Current Asset / (Liability)	(13.05)	(10.24)
	Actuarial Assumptions		
1	Discount Rate	7.60%	7.15%
2	Expected return on plan assets	NA	NA
3	Salary Escalation	10.00%	10.00%
4	Mortality	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)
5	Retirement/ Superannuation Age	Employees: 60 yrs	

IX Other disclosures :

Basis of estimates of Rate of escalation in salary :

- The estimates of rate of escalation in salary, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.
- The Gratuity and Leave Encashment have been recognised under "Salaries and allowances" under Note No.22. The remeasurement of the net defined benefit liability are included in Other Comprehensive Income.
- The expected contribution for defined benefit plan for the next financial year is not available and hence not disclosed.

Notes to the financial statements for the year ended March 31, 2018

27.2 Earnings per Share:

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
a) Profit/(Loss) after Tax (₹ In Lakh)	2,891.80	220.12
b) Weighted average number of Ordinary Equity Shares outstanding used as the denominator for computing Basic Earnings per Share (Nos.)*	7,06,24,521	2,78,65,753
c) Weighted average number of Potential Equity Shares (Nos.)	—	—
d) Weighted average number of Equity Shares outstanding used as the denominator for computing Diluted Earnings per Share (Nos.)	7,06,24,521	2,78,65,753
e) Nominal value of Equity Share per share (₹)	10.00	10.00
f) Basic Earnings per Share (₹) (a/b)	4.09	0.79
g) Diluted Earnings per Share (₹) (a/d)	4.09	0.79

* During the Financial year 2017-18, 29300000 numbers of equity shares were issued on September 14, 2017 pursuant to Initial Public Offering (IPO).

During financial year 2016-17, the Company has issued 1,80,00,000 equity shares on right basis and 26,650,000 equity shares on private placement basis on October 28, 2016 and November 12, 2016 respectively. Weighted average number of equity shares has been calculated on a pro-rata basis for the purpose of earning per share.

27.3 Segment Reporting

The Company is primarily engaged in a single business segment of own, build, develop, design, operate, transfer road and related services. All the activities of the Company revolve around the main business. As such there are no separate reportable segments as per requirements of Accounting Standard (Ind AS- 108) on operating segment. Further, the Company operates only in India, hence additional information under geographical segments is also not applicable. The Managing Director 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.

Total revenue includes revenue from four of the external customers aggregating to ₹5849.86 lakhs (previous year: four of the external customers aggregating to ₹ 1472.15 lakhs).

27.4 The Company is presently engaged in the business of designing, building, operating, maintaining and carrying out all other activities pertaining to road projects. As per the guidelines of respective Government Authority and the requirements of the Concession Agreements, such road projects are required to be implemented under the Built, Operate & Transfer (BOT) model by creating Special Purpose Vehicles (SPVs) so that after the concession period, the SPV can be transferred to the respective authority on an "as is where is basis". The Company has, therefore, invested in various road projects under the aforesaid SPV model.

These investments have been made on a long term basis with an objective to obtain return and capital appreciation after the commencement of commercial operations of the respective Project.

Based on a legal opinion, the Company has treated these investments as "Qualifying Asset". As required by Indian Accounting Standard (Ind AS) 23 on 'Borrowings Costs', Indian Accounting Standard (Ind AS) 28 on 'Investments in Associates' and in accordance with the accounting concept of 'Matching costs and revenues', the Company has capitalised borrowing cost incurred on funds borrowed exclusively for investments in SPVs as part of the cost of investments.

Accordingly, as at March 31, 2018 total borrowing cost capitalised to Non current Investment amounts to ₹15,894.66 Lakhs including ₹ 649.01 Lakhs for the year ended March 31, 2018 (₹3,494.72 Lakhs for the year ended March 31, 2017).

27.5 Contingent liabilities

(₹ in lakhs)

Particulars	2017-18	2016-17
Claims against the Company not acknowledged as debt		
- Income Tax (F.Y. 2012-13)*	—	23.10
- Bank Guarantees	300.65	—

*The Company had made an appeal against the assessment order u/s 143(3) for the financial year 2012-13. During the current financial year, the Company has received favourable order u/s 251 from Ld. CIT(A), whereby the demand raised earlier for an amount of ₹23.10 lakhs has been reversed.

Notes to the financial statements for the year ended March 31, 2018

28. OTHER DISCLOSURES

28.1 Related Party Transactions

(I) Related Parties:

S. No.	Name of the Party & Nature of relationship
A	Investor having significant influence
	Infrastructure Project Development Capital (ceases control & have significant influence w.e.f. November 12, 2016)
	Infrastructure Project Development Fund (significant influence between October 28, 2016 to November 11, 2016)
B	Subsidiary
	Solapur Tollways Pvt. Ltd.
	Orissa Steel Expressway Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. November 12, 2016)
	Guruvayoor Infrastructure Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. March 28, 2018)
C	Associates
	Kurukshetra Expressway Pvt. Ltd.
	Ghaziabad Aligarh Expressway Pvt. Ltd.
	Shree Jagannath Expressways Pvt. Ltd.
	Orissa Steel Expressway Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. November 12, 2016)
	Guruvayoor Infrastructure Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. March 28, 2018)
	Mahakaleshwar Tollways Pvt. Ltd. (associate w.e.f. October 28, 2016)
	Potin - Pangin Highway Pvt. Ltd. (cease to be associate w.e.f. November 12, 2016)
D	Key Management Personnel (KMP)
	Brahm Dutt (Chairman, Non-executive and Independent Director)
	Bajrang K Choudhary (Managing Director w.e.f. November 1, 2016)
	Pradeep Singh (Non-executive and Independent Director)
	Atanu Sen (Non-executive and Independent Director)
	Dr. (Ms.) Tuk Tuk Ghosh Kumar (Non-executive and Independent Director)
	Asim Tewari (Chief Technical Officer upto 31st October, 2016 and COO w.e.f. November 1, 2016)
	Anurag Kuba (CEO w.e.f. June 29, 2015 and Upto June 16, 2016)
	Sanjay Banka *
	Naresh Mathur *

* Mr. Sanjay Banka was CFO & Company Secretary of the Company. Upon appointment of Mr. Naresh Mathur as Company Secretary w.e.f. December 17, 2017, Mr. Sanjay Banka ceases to be Company Secretary of the Company. However he continues as CFO of the Company.

(II) Summary of Transactions with Related Parties

The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms. Outstanding balances at the year end will be settled as per terms of the respective transactions.

(₹ in lakhs)

Name of the related party	Nature of Transaction & Outstanding Balances	2017-18	2016-17	2015-16
(A) Investor having significant influence				
Infrastructure Project Development Capital	Transactions :			
	Equity shares subscription received	–	1,100.00	–
	Sale of Investment in securities	–	302.00	–
	Purchase of securities	–	2,403.40	–
(B) Subsidiary :				
Solapur Tollways Pvt. Ltd.	Transactions :			
	Warrant Subscribed	–	1,050.00	–
	Income from Consultancy fee (excluding indirect tax)	700.00	300.00	309.20
	Reimbursement of expenses (excluding indirect tax)	–	66.24	–
	Unsecured loan given	5,147.00	–	–

Notes to the financial statements for the year ended March 31, 2018

(₹ in lakhs)

Name of the related party	Nature of Transaction & Outstanding Balances	2017-18	2016-17	2015-16
	Balance due:			
	Unsecured loan given balance	5,147.00	–	–
	Warrants	17,642.00	1,050.00	–
	Investment in Optionally Convertible Debenture	6,582.00	–	–
	Cost of Investment pledged as collateral for loan taken from bank	40.93	39.90	37.09
	Trade Receivable	638.75	36.76	612.55
Orissa Steel Expressway Pvt. Ltd. (subsidiary w.e.f. November 12, 2016)	Transactions :			
	Inter Corporate Deposit given	–	4,100.00	NA
	Inter Corporate Deposit refund received	–	(2,061.50)	NA
	Interest Income on ICD given	305.78	121.04	NA
	Income from Consultancy fee (excluding indirect tax)	200.00	102.99	NA
	Balance due:			
	Inter Corporate Deposit Balance	2,038.50	2,038.50	NA
	Cost of Investment pledged as collateral for loan taken from bank	2,633.25	2,633.25	NA
	Interest Accrued and due	304.21	–	NA
	Interest Accrued but not due	79.92	108.93	NA
	Trade Receivable	732.11	664.47	NA
Guruvayoor Infrastructure Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. March 28, 2018)	Balance due:			
	Trade receivable	285.41	–	NA
	Interest Accrued and due	1,331.46	–	NA
	Investment in Optionally Convertible Debenture	5,712.97	–	NA
	Cost of Investment pledged as collateral for loan taken from bank	5,452.68	5,816.54	NA
(C) Associates :				
Orissa Steel Expressway Pvt. Ltd. (ceases to be associate w.e.f. November 12, 2016)	Transactions :			
	Inter Corporate Deposit given	NA	837.51	5,620.00
	Inter Corporate Deposit refund received	NA	(857.51)	(5,600.00)
	Interest Income on ICD given	NA	48.88	196.74
	Income from Consultancy fee (excluding indirect tax)	NA	430.11	–
	Balance due			
	Inter Corporate Deposit balance	NA	–	20.00
	Cost of Investment pledged as collateral for loan taken from bank	NA	–	2,706.32
	Interest Accrued but not due	NA	–	1.14
	Trade Receivable	NA	–	104.72
Guruvayoor Infrastructure Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. March 28, 2018)	Transactions :			
	Reimbursement of expenses (excluding indirect tax)	52.20	–	–
	Interest income	1,479.40	–	–
	Income from Consultancy fee (excluding indirect tax)	299.60	–	–
	Balance due:			
	Cost of Investment pledged as collateral for loan taken from bank	–	5,816.54	7,111.60
	Receivable written off	–	0.37	–
	Trade Receivable			24.47

Notes to the financial statements for the year ended March 31, 2018

(₹ in lakhs)

Name of the related party	Nature of Transaction & Outstanding Balances	2017-18	2016-17	2015-16
Kurukshetra Expressway Pvt. Ltd.	Transactions :			
	Advance against Optionally Convertible Debenture	–	1,361.71	1,384.90
	Optionally Convertible Debenture allotted against application money	–	2,746.61	–
	Demand loan given	2,907.81	1,013.35	–
	Balance due:			
	Advance against Optionally Convertible Debenture balance	–	–	1,384.90
	Demand loan given balance	3,921.16	1,013.35	–
	Investment in Optionally Convertible Debenture	9,314.36	518.42	–
	Cost of Investment pledged as collateral for loan taken from bank	3,788.98	3,735.41	5,119.40
Ghaziabad Aligarh Expressway Pvt. Ltd.	Transactions :			
	Income from Consultancy fee (excluding indirect tax)	200.00	–	–
	Inter Corporate deposit (ICD) given	–	2,785.96	1,064.10
	Unsecured loan given	4,570.50	–	–
	Interest Income on ICD given	–	92.30	23.04
	ICD including interest converted to Warrant	–	3,953.88	–
	Advance given	–	1,446.00	–
	Advance converted to Warrant	–	865.00	–
	Balance due:			
	Trade Receivable	216.00	–	–
	Inter Corporate deposit (ICD) balance	–	–	1,064.10
	Interest accrued but not due	–	–	23.04
	Unsecured loan receivable	5,151.50	581.00	–
	Warrants	4,818.88	4,818.88	–
	Cost of Investment pledged as collateral for loan taken from bank	7,866.54	7,755.33	7,185.08
Shree Jagannath Expressways Pvt. Ltd.	Transactions :			
	Income from Consultancy fee (excluding indirect tax)	1,832.16	–	–
	Advance against Warrant/Optionally Convertible Debenture	–	–	5,227.00
	Refund of Advance against Warrant/Optionally Convertible Debenture	–	(5,227.00)	–
	Interest income on the Advance against Warrant/Optionally Convertible Debenture	–	480.73	543.84
	Balance due:			
	Trade Receivable	1,978.74	–	–
	Advance against Warrant/Optionally Convertible Debenture	–	–	5,227.00
	Interest Accrued and due (net of TDS)	424.11	424.11	–
	Interest Accrued but not due (net of TDS)	–	–	489.45
	Cost of Investment pledged as collateral for loan taken from bank	5,720.52	5,639.65	4,712.26

Notes to the financial statements for the year ended March 31, 2018

(₹ in lakhs)

Name of the related party	Nature of Transaction & Outstanding Balances	2017-18	2016-17	2015-16
Mahakaleshwar Tollways Pvt. Ltd. (Associate w.e.f. October 28, 2016)	Transactions :			
	Advance given	–	51.21	NA
	Advance refunded	–	(51.21)	NA
	Income from Consultancy fee	–	25.00	NA
	Balance due:			
	Unsecured loan balance	3,263.76	–	NA
	Advance given balance	–	700.63	NA
	Interest Accrued and due	–	245.41	NA
	Cost of Investment pledged as collateral for loan taken from bank	764.92	764.92	NA
	Balance due:			
Potting - Pangin Highway Pvt. Ltd (cease to be associate w.e.f. November 12, 2016)	Unsecured Optionally Convertible debenture	NA	–	275.89
	Cost of Investment pledged as collateral for loan taken from bank	NA	–	0.73
(D) Key Management Personnel :				
Short-term employee benefits		211.76	213.18	NA
Post-employment benefits		3.66	–	NA
Other long-term employee benefits		7.47	–	NA
Director's Sitting Fees		16.85	11.05	NA

The balance due disclosed above in respect of unsecured optionally convertible debenture/warrants are exclusive of borrowing cost capitalised.

28.2 The Company has contributed and expensed ₹ 5.00 Lakhs (March 31, 2017 : Nil) against the total contributable amount of ₹ 1.23 Lakhs (31 March, 2017: Nil) for the year ended March 31, 2018 in accordance with section 135 of Companies Act, 2013 to trust/social organisation. The contributions have been made primarily towards Educational activities.

29. FINANCIAL INSTRUMENT RELATED DISCLOSURES

i) Capital Management

The primary objective of company's capital management is to support its road projects (SPVs) and provide adequate capital to its business for growth and creation of sustainable stakeholder value. The company's capital comprises of share capital and retained earnings attributable to equity shareholders. The company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. Breaches in meeting the financial covenants would permit the lenders to call loans and borrowings or charge some penal interest. The Company, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. In order to maintain or adjust the capital structure, the Company may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, loans and borrowings, less cash and cash equivalents.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2018 and March 31, 2017.

Notes to the financial statements for the year ended March 31, 2018

Pursuant to the Initial Public Offer (IPO) the Company has issued 29,300,000 equity shares of ₹ 10/- each at a premium of ₹ 195/- per share aggregating to ₹60,065.00 Lakhs in FY 2017-18.

During financial year 2016-17, the Company has issued 18,000,000 equity shares of ₹ 10/- each at par on right basis and 26,650,000 equity shares of ₹ 10/- each at a premium of ₹ 195/- per share on private placement basis aggregating to ₹56,432.50 Lakhs.

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	01-Apr-16
Borrowings	13,300.00	14,995.28	51,273.04
Less: Cash and cash equivalent	367.38	1,571.62	3.32
Net Debt (A)	12,932.62	13,423.66	51,269.72
Total Equity	1,16,957.93	57,292.95	973.11
Total Equity plus Net Debt (B)	1,29,890.55	70,716.61	52,242.83
Gearing ratio (A/B)	0.10	0.19	0.98

ii) Financial instruments- Accounting, Classification and Fair Value Measurement

A. Accounting classification and fair values

(₹ in lakhs)

March 31, 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets Non Current								
Investments (excluding investment measured at cost)	30,728.68	–	–	30,728.68	–	–	30,728.68	30,728.68
Financial Assets Current								
Trade receivables	–	–	4,328.81	4,328.81	–	–	4,328.81	4,328.81
Cash and cash equivalents	–	–	367.38	367.38	367.38	–	–	367.38
Bank Balance Other than Cash and Cash Equivalents	–	–	300.65	300.65	300.65	–	–	300.65
Loans	–	–	19,832.96	19,832.96	–	–	19,832.96	19,832.96
Other Financial Assets	–	–	2,402.92	2,402.92	–	–	2,402.92	2,402.92
Total Financial Assets	30,728.68	–	27,232.72	57,961.40	668.03	–	57,293.37	57,961.40
Financial liabilities Non Current								
Borrowings	–	–	8,300.00	8,300.00	–	–	8,300.00	8,300.00
Financial liabilities Current								
Borrowings	–	–	5,000.00	5,000.00	–	–	5,000.00	5,000.00
Trade payables	–	–	356.33	356.33	–	–	356.33	356.33
Other financial liabilities	–	–	7,377.55	7,377.55	–	–	7,377.55	7,377.55
Total Financial liabilities	–	–	21,033.88	21,033.88	–	–	21,033.88	21,033.88

Notes to the financial statements for the year ended March 31, 2018

(₹ in lakhs)

March 31, 2017	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets Non Current								
Investments (excluding investment measured at cost)	5,543.49	–	–	5,543.49	–	–	5,543.49	5,543.49
Financial Assets Current								
Trade Receivables	–	–	1,178.23	1,178.23	–	–	1,178.23	1,178.23
Cash and cash equivalents	–	–	1,571.62	1,571.62	1,571.62	–	–	1,571.62
Loans	–	–	4,344.51	4,344.51	–	–	4,344.51	4,344.51
Other Financial Assets	–	–	905.75	905.75	–	–	905.75	905.75
Total Financial Assets	5,543.49	–	8,000.11	13,543.60	1,571.62	–	11,971.98	13,543.60
Financial liabilities Non Current								
Borrowings	–	–	9,695.28	9,695.28	–	–	9,695.28	9,695.28
Financial liabilities Current								
Borrowings	–	–	5,300.00	5,300.00	–	–	5,300.00	5,300.00
Trade payables	–	–	0.70	0.70	–	–	0.70	0.70
Other financial liabilities	–	–	172.17	172.17	–	–	172.17	172.17
Total Financial liabilities	–	–	15,168.15	15,168.15	–	–	15,168.15	15,168.15

(₹ in lakhs)

April 01, 2016	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets Non Current								
Investments	547.70	–	–	547.70	–	–	547.70	547.70
Other Financial Assets	–	–	6,611.90	6,611.90	–	–	6,611.90	6,611.90
Financial Assets Current								
Trade Receivables	–	–	843.45	843.45	–	–	843.45	843.45
Cash and cash equivalents	–	–	3.32	3.32	3.32	–	–	3.32
Loans	–	–	1,084.11	1,084.11	–	–	1,084.11	1,084.11
Other Financial Assets	–	–	782.86	782.86	–	–	782.86	782.86
Total Financial Assets	547.70	–	9,325.64	9,873.34	3.32	–	9,870.02	9,873.34
Financial liabilities Non Current								
Borrowings	–	–	50,246.10	50,246.10	–	–	50,246.10	50,246.10
Financial liabilities Current								
Borrowings	–	–	1,026.94	1,026.94	–	–	1,026.94	1,026.94
Trade payables	–	–	41.61	41.61	–	–	41.61	41.61
Other financial liabilities	–	–	358.11	358.11	–	–	358.12	358.11
Total Financial liabilities	–	–	51,672.76	51,672.76	–	–	51,672.77	51,672.76

B. Measurement of fair values

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

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

Notes to the financial statements for the year ended March 31, 2018

C. Valuation techniques

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

- 1) Fair value of the cash and short term deposits, current loans and advances and other current financial liabilities, short term borrowing and other similar items approximate their carrying value largely due to short term maturities of these instruments.
- 2) Long-term receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual credit worthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- 3) The fair value of unquoted instruments and long-term borrowings is estimated by discounting future cash flows using rates currently available for debt of similar terms, credit risk and remaining maturities.

iii) Financial Risk Management

The company's principal financial liabilities comprises of borrowings and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include investments in equity and debt instruments, loans (advances to related parties), trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk

The company's board of directors has the overall responsibility for the establishment and oversight of the company's risk management framework. This note presents information about the risks associated with its financial instruments, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital.

Credit Risk

The Company is exposed to credit risk as a result of the risk of counterparties defaulting on their obligations. The Company's exposure to credit risk primarily relates to cash and cash equivalent, investments in equity and debt instruments, loans & other financial assets and accounts receivable.

The Company monitors and limits its exposure to credit risk on a continuous basis. Credit Risk on cash and cash equivalents is limited as the Company generally invest in deposits with nationalised banks. Investments in debt securities consist of investment in subsidiaries/ associates. Loans are primarily provided to subsidiaries/associates and are in the nature of short-term as the same is repayable on demand.

The Company's credit risk associated with accounts receivable is managed through periodically review the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

The Company's financial assets which are exposed to credit risk are as follows:

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	01-Apr-16
Investment in Debt Securities	30,728.68	5,543.49	547.70
Trade and other receivables	4,328.81	1,178.23	843.45
Cash and cash equivalents and other bank balance	668.03	1,571.62	3.32
Loans & Other Financials Asset	22,235.88	5,250.26	8,478.87
Total	57,961.40	13,543.60	9,873.34

Impairment losses

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	01-Apr-16
Trade and other receivables (measured under life time excepted credit loss model)			
Opening balance	—	—	—
Provided during the year	—	—	—
Reversal of provision	—	—	—
Unwinding of discount	—	—	—
Closing balance	—	—	—

Notes to the financial statements for the year ended March 31, 2018

Trade Receivables Ageing analysis

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	01-Apr-16
Not due	–	–	–
Upto 3 months	1,342.91	1,073.51	401.49
3-6 months	324.00	–	–
More than 6 months	2,661.90	104.72	441.96
	4,328.81	1,178.23	843.45

No significant changes in estimation techniques or assumptions were made during the reporting year.

Liquidity risk

The company is exposed to liquidity risk related to its ability to fund its obligations as and when they become due. The company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The company has access to credit facilities and monitors cash and bank balances on a regular basis. In relation to the company's liquidity risk, the company's policy is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses.

Financing arrangements

The Company has access to following undrawn borrowing facilities at the end of the reporting year:

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	01-Apr-16
Term Loan facilities	25,700.00	11,805.00	9,508.00

Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

(₹ in lakhs)

As at 31 March 2018	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings	5,000.00	7,000.00	1,300.00	13,300.00
Trade payables	356.33	–	–	356.33
Other financial liabilities	7,377.55	–	–	7,377.55
	12,733.88	7,000.00	1,300.00	21,033.88

(₹ in lakhs)

As at 31 March 2017	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings	5,300.00	7,898.43	1,796.86	14,995.28
Trade payables	0.70	–	–	0.70
Other financial liabilities	172.18	–	–	172.18
	5,472.88	7,898.43	1,796.86	15,168.17

Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the company. The company manages its interest rate risk by regular monitoring and taking necessary actions as are necessary to maintain an appropriate balance.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

a) Interest rate risk exposure

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	01-Apr-16
Variable rate borrowings	1300.00	2695.28	50246.10

b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

(₹ in lakhs)

	Impact on profit	
	March 31, 2018	March 31, 2017
Interest rates - increase by 70 basis points	9.10	18.87
Interest rates - decrease by 70 basis points	9.10	18.87

Notes to the financial statements for the year ended March 31, 2018

30. (i) Reconciliations of Equity as per erstwhile Indian GAAP as previously reported and Ind AS is as follows: (₹ in lakhs)

Particulars	Note	Balance sheet as at 1 April 2016			Balance sheet as at 31 March 2017		
		IGAAP	Adjustments	Ind AS	IGAAP	Adjustments	Ind AS
ASSETS							
Non-Current Assets							
Property, Plant and Equipment		1.48	–	1.48	3.06	–	3.06
Other Intangible Assets		0.49	–	0.49	1.66	–	1.66
Financial Assets							
(i) Investments	30(v) a	43,123.28	–	43,123.28	64,384.01	(68.95)	64,315.06
(ii) Other Financial Assets		6,611.90	–	6,611.90	–	–	–
Other Non-Current Assets		30.70	–	30.70	–	–	–
Total Non-Current Assets		49,767.85	–	49,767.85	64,388.73	(68.95)	64,319.78
Current Assets							
Financial Assets							
i. Trade Receivables		843.45	–	843.45	1,178.23	–	1,178.23
ii. Cash and Cash Equivalents		3.32	–	3.32	1,571.62	–	1,571.62
iii. Loans		1,084.11	–	1,084.11	4,344.51	–	4,344.51
iv. Other Financial Assets		782.86	–	782.86	905.75	–	905.75
Current Tax Assets (net)		229.02	–	229.02	250.75	–	250.75
Other Current Assets		1.41	–	1.41	20.49	–	20.49
Total Current Assets		2,944.17	–	2,944.17	8,271.35	–	8,271.35
TOTAL ASSETS		52,712.02	–	52,712.02	72,660.08	(68.95)	72,591.13
EQUITY AND LIABILITIES:							
Equity							
Equity Share capital		1,000.00	–	1,000.00	5,465.00	–	5,465.00
Other Equity	30(v) a	(26.89)	–	(26.89)	51,896.90	(68.95)	51,827.95
Total Equity		973.11	–	973.11	57,361.90	(68.95)	57,292.95
Liabilities							
Non - Current Liabilities							
Financial Liabilities							
(i) Borrowings		50,246.10	–	50,246.10	9,695.28	–	9,695.28
Provisions		15.92	–	15.92	79.15	–	79.15
		50,262.02	–	50,262.02	9,774.43	–	9,774.43
Current Liabilities							
Financial Liabilities							
Financial liabilities							
i. Borrowings		1,026.94	–	1,026.94	5,300.00	–	5,300.00
ii. Trade Payables		41.61	–	41.61	0.70	–	0.70
iii. Other Financial Liabilities		358.11	–	358.11	172.17	–	172.17
Other Current Liabilities		48.86	–	48.86	44.72	–	44.72
Provisions		1.37	–	1.37	6.16	–	6.16
		1,476.89	–	1,476.89	5,523.75	–	5,523.75
TOTAL EQUITY AND LIABILITIES		52,712.02	–	52,712.02	72,660.08	(68.95)	72,591.13

Notes to the financial statements for the year ended March 31, 2018

(ii) Reconciliation of Total Comprehensive Income as previously reported under IGAAP to Ind AS.

(₹ in lakhs)

Particulars	Note No.	Year ended 31 March 2017		
		IGAAP	Adjustments	Ind AS
I Revenue From Operations		1,428.10	–	1,428.10
II Other Income	30(v)a	313.68	(68.95)	244.73
III Total income (I)+(II)		1,741.78	(68.95)	1,672.83
IV Expenses				
Employee Benefits Expense	30(v)c	412.37	(32.42)	379.95
Finance Costs		858.82	–	858.82
Depreciation and Amortisation Expense		1.07	–	1.07
Other Expenses	30(v)b	329.84	(170.79)	159.05
Total expenses		1,602.10	(203.21)	1,398.89
V Profit Before Exceptional Items and Tax (III-IV)		139.68	134.26	273.94
VI Exceptional Items		–	–	–
VII Profit Before Tax (V-VI)		139.68	134.26	273.94
VIII Income tax expense				
Current Tax		53.82	–	53.82
Deferred Tax		–	–	–
Total Tax Expense		53.82	–	53.82
IX Profit For The Year (VII-VIII)		85.86	134.26	220.12
X Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss				
- Remeasurement of the defined benefit plans	31(iii) c	–	(32.42)	(32.42)
(ii) Income tax relating to items that will not be reclassified to profit or loss		–	–	–
Total Other Comprehensive Income		–	(32.42)	(32.42)
XI Total Comprehensive Income For The Year (IX + X)		85.86	101.84	187.70

(iii) Reconciliation of Total Equity as at March 31, 2017 and April 1, 2016

(₹ in lakhs)

Particulars	Notes to first-time adoption	March 31, 2017	April 01, 2016
Equity as per Previous GAAP		57,361.90	973.11
Adjustments:			
Impact of Fair Value Adjustments	30(v) a	(68.95)	–
Equity as per Ind AS		57,292.95	973.11

(iv) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

(₹ in lakhs)

Particulars	Notes to first-time adoption	March 31, 2017
Net Profit /(Loss) as per Previous GAAP (after tax)		85.86
Adjustments:		
(i) Impact of Fair Value Adjustments	30(v) a	(68.95)
(ii) Impact due to change in employee benefit expenses	30(v) c	32.42
(iii) Impact of issue related expenses adjusted against Securities Premium Accounts	30(v) b	170.79
Total adjustments		134.26
Profit After Tax as per Ind AS		220.12
Other Comprehensive Income (net of tax)		(32.42)
Equity as per Ind AS		187.70

Notes to the financial statements for the year ended March 31, 2018

(v) Explanation of transition to Ind AS

- a) Under previous GAAP, non-current investments in Optionally Convertible Debenture and Warrant were stated at cost. Under Ind AS, such investments have been measured at fair value through Profit or Loss (FVTPL), resulting in fair valuation loss arising of ₹ Nil on April 1, 2016 and ₹68.95 lakhs as on March 31, 2017 and corresponding decrease in respective non-current investment.
- b) Under previous GAAP, expenses incurred by the Company aggregating to ₹170.79 lakhs in connection of issue of share have been charged to statement of profit and loss for the year ended March 31, 2017. Under Ind AS, such expenses has been adjusted against Securities Premium Account.
- c) Under previous GAAP, actuarial gains and losses related to the defined benefit schemes for gratuity and liabilities towards employee leave encashment were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in OCI. Consequently, the tax effect of the same has also been recognised in OCI instead of profit or loss.

31. The financial statements were approved for issue by the Board of Directors and authorise for issue on May 29, 2018.

32. The figures of previous year have been regrouped / reclassified wherever necessary to conform to current year classification.

The accompanying notes 1 to 32 are an integral part of the Financial Statements.

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No. 000756N

For and on behalf of the Board of Directors

Neeraj Bansal
Partner
Membership No.095960

Bajrang K Choudhary
Managing Director
DIN: 00441872

Brahm Dutt
Chairman
DIN: 05308908

Place : New Delhi
Date : 29th May, 2018

Naresh Mathur
Company Secretary

Sanjay Banka
Chief Financial Officer
Place : Kolkata

Independent Auditors' Report

To

The Members of

Bharat Road Network Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Bharat Road Network Limited ("Holding Company") and its subsidiaries (together, 'the Group') and associates, which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of profit and loss (including other comprehensive income), the Consolidated cash flow Statement and the Consolidated 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 "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the Consolidated financial position, Consolidated financial performance (including other comprehensive income), Consolidated cash flows and Consolidated Statement of changes in Equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group and its Associates, as at March 31, 2018 and their consolidated financial performance including

other comprehensive income, its consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to the following

- a) Note 33.4 to the Consolidated Financial Statements regarding investments by Holding Company in Special Purpose Vehicles formed as per Concession Agreement and guidelines of respective government authority and treatment of such investments as Qualifying Asset which is based on the legal opinion and capitalization of directly attributable borrowing costs incurred in respect thereof.
- b) Note 37.4 to the Consolidated Financial Statements in respect of non-Recognition of premium amount payable to Madhya Pradesh Road Development Corporation Limited (MPRDC) by an associate (Mahakaleshwar Tollways Private Limited) for Financial Year 2017-18.
- c) Note No. 33.7 to the Consolidated Financial Statements regarding the project of one Subsidiary Company (Orissa Steel Expressway Private Limited) to the fact that the project has been foreclosed on 2nd March 2017 and that the process of determination and settlement of claims is under process.

Our Opinion is not modified in respect of the above matters.

Other Matters

We did not audit the financial statements/financial information of three subsidiaries included in these Consolidated Financial Statements for the year ended March 31, 2018 whose financial statements reflect total assets of ₹1,687.80 crores and total net assets of ₹ (102.58) crores as at March 31, 2018, total revenues of ₹271.76 crores and net cash inflow ₹0.8 crores for the year ended March 31, 2018, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include the Group's share of net loss after tax of ₹62.68 crores for the year ended March 31, 2018 as considered in the Consolidated Financial Statements, in respect of four associates. The Financial Statements of the subsidiaries and the associates have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is

not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors.

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1 2016, included in these consolidated financial results, are based on the previously issued statutory financial statements prepared in accordance with Companies (Accounting Standard) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated April 26, 2017 and September 19, 2016 expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which has been audited by us.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of other auditors on separate financial statements and other financial information of subsidiaries as noted in the 'other matter' paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other Auditors.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated Cash Flow Statement and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary

companies and associates incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a Director of that Company 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 Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditors reports of the subsidiaries & associates;
- (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 and based on the consideration of the report of the other auditors on separate financial statements as also other financial information of the subsidiaries and associates as noted in the "Other Matter" paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates. Refer Note 33.5 to the consolidated Ind AS financial statements;

- ii. The Group and the associates has made provisions in its Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amount which were required to be transferred to Investor Education and Protection Fund by the Holding Company, Subsidiaries & Associates.

For **S. S. Kothari Mehta & Co.**
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal

Partner

Membership No.095960

Place: New Delhi
Date: 29th May 2018

Annexure – “A” to the Independent Auditors’ Report

To
The Members of
Bharat Road Network 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 1(f) of ‘Report on Other Legal and Regulatory Requirements’ section of our report referred above

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, We have audited the internal financial controls over financial reporting of Bharat Road Network Limited (hereinafter referred to as “Holding Company”) and its subsidiary companies and associates, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies and associates, which are companies incorporated in India, are 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 the respective 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.

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”) issued by the ICAI 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 issued by the Institute of Chartered

Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with

authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the holding company and its subsidiary companies and associates which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were generally 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiaries companies and four associates, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **S. S. Kothari Mehta & Co.**

Chartered Accountants

Firm Registration No. 000756N

Neeraj Bansal

Partner

Membership No.095960

Place: New Delhi

Date: 29th May 2018

Consolidated Balance Sheet as at March 31, 2018

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
I. ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	4	140.28	27.66	12.84
(b) Investment Property	5	4.85	–	–
(c) Goodwill on Consolidation		2,547.57	2,513.00	–
(d) Other Intangible Assets	6	86,648.22	1.66	0.49
(e) Intangible Asset Under Development	7	54,158.33	42,001.94	29,381.74
(f) Financial Assets				
(i) Investments	8	42,269.65	44,042.48	36,939.94
(ii) Loans	9(i)	3.13	2,311.67	2.88
(iii) Others	10(i)	23,960.48	21,294.55	6,611.90
(g) Other Non-Current Assets	11(i)	6,605.53	4,511.60	3,727.12
Total Non-Current Assets		2,16,338.04	1,16,704.56	76,676.91
Current Assets				
(a) Financial Assets				
(i) Investments in Associates	12	13,888.32	810.64	1,016.53
(ii) Trade Receivables	13	10,374.44	477.00	230.90
(iii) Cash and Cash Equivalents	14	1,222.11	1,923.42	789.36
(iv) Bank Balances Other than Cash and Cash Equivalents	15	300.65	–	–
(v) Loans	9(ii)	12,677.61	–	1,084.11
(vi) Other Financial Assets	10(ii)	993.86	2,461.43	3,371.52
(b) Current Tax Assets (Net)	16(i)	104.36	323.23	308.57
(c) Other Current Assets	11(ii)	1,045.59	374.14	39.32
Total Current Assets		40,606.94	6,369.86	6,840.31
Total Assets		2,56,944.98	1,23,074.42	83,517.22
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	17	8,395.00	5,465.00	1,000.00
(b) Other Equity	18	97,933.66	38,611.66	(6,630.23)
Attributable to Owners of the Parent		1,06,328.66	44,076.66	(5,630.23)
Non-Controlling Interests		11,194.93	3,178.19	4.13
Total Equity		1,17,523.59	47,254.85	(5,626.10)
LIABILITIES				
Non - Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	19(i)	95,447.52	50,519.96	86,270.97
(ii) Other Financial Liabilities	20(i)	1,250.38	17,544.36	498.28
(b) Provisions	21(i)	720.91	88.16	24.34
(c) Deferred Tax Liabilities (Net)	22	318.88	27.51	27.51
Total Non-Current Liabilities		97,737.69	68,179.99	86,821.10
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	19(ii)	5,000.00	5,300.00	1,275.00
(ii) Trade Payables	23	356.36	0.70	41.65
(iii) Other Financial Liabilities	20(ii)	34,666.90	2,167.87	799.72
(b) Other Current Liabilities	24	1,457.40	164.81	204.48
(c) Provisions	21(ii)	12.89	6.20	1.37
(d) Current Tax Liabilities (Net)	16(ii)	190.15	–	–
Total Current Liabilities		41,683.70	7,639.58	2,322.22
Total Equity and Liabilities		2,56,944.98	1,23,074.42	83,517.22

The accompanying notes 1 to 37 are an integral part of the Consolidated Financial Statements.

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner
Membership No.095960

Place : New Delhi
Date : 29th May, 2018

For and on behalf of the Board of Directors

Bajrang K Choudhary
Managing Director
DIN: 00441872

Naresh Mathur
Company Secretary

Brahm Dutt
Chairman
DIN: 05308908

Sanjay Banka
Chief Financial Officer
Place : Kolkata

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

(₹ in lakhs)

Particulars	Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
I. Revenue From Operations	25	15,320.49	14,151.56
II. Other Income	26	9,751.37	126.00
III. Total income (I+II)		25,071.86	14,277.56
IV. Expenses:			
EPC Cost		7,342.27	10,013.88
Employee Benefits Expense	27	890.54	687.78
Finance Costs	28	4,385.71	3,119.34
Depreciation and Amortisation Expense	29	42.56	3.27
Other Expenses	30	2,670.90	779.21
Total Expenses (IV)		15,331.98	14,603.48
V Profit/(Loss) from operation before Share of Profit / (Loss) of Associates and exceptional items (III-IV)		9,739.88	(325.92)
VI Share of Profit / (Loss) of Associates		(6,267.84)	(5,846.98)
VII. Profit/(Loss) before tax (V+VI)		3,472.04	(6,172.90)
VIII. Tax Expense	31		
Current Tax		863.90	59.34
Deferred Tax		293.54	–
Total tax expense		1,157.44	59.34
IX. Profit for the year (VII-VIII)		2,314.60	(6,232.24)
X. Other Comprehensive Income			
(i) Items that will not be reclassified to Profit or Loss:	32		
- Remeasurement of defined benefit plans		(5.82)	(31.08)
- Share of other comprehensive income in associate		(1.01)	(0.73)
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		2.16	–
Total Other Comprehensive Income for the year		(4.67)	(31.81)
XI. Total Comprehensive Income for the year (IX + X)		2,309.93	(6,264.05)
XII Profit/(Loss) for the year			
Attributable to:			
Owners of the parent		2,330.76	(6,230.77)
Non-controlling interests		(16.16)	(1.47)
XIII Other Comprehensive Income/(Loss) for the year			
Attributable to:			
Owners of the parent		(4.67)	(31.82)
Non-controlling interests		–	0.01
XIV Total Comprehensive Income/(Loss) for the year			
Attributable to:			
Owners of the parent		2,326.09	(6,262.59)
Non-controlling interests		(16.16)	(1.46)
XV. Earnings Per Equity Share (of ₹ 10/- each)	33.2		
Basic (₹)		3.28	(22.37)
Diluted (₹)		3.28	(22.37)

The accompanying notes 1 to 37 are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner
Membership No.095960

Place : New Delhi
Date : 29th May, 2018

For and on behalf of the Board of Directors

Bajrang K Choudhary
Managing Director
DIN: 00441872

Naresh Mathur
Company Secretary

Brahm Dutt
Chairman
DIN: 05308908

Sanjay Banka
Chief Financial Officer
Place : Kolkata

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

(₹ in lakhs)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
A. Cash Flow from Operating Activities		
Net Profit Before Tax	3,472.04	(6,172.90)
Adjustments for:		
Depreciation and Amortisation Expense	42.56	3.27
Finance Costs	4,385.71	3,119.34
Bad debts	–	12.54
Loss on sale of investments	–	6.71
Interest Income	(1,449.18)	(186.47)
Interest on income tax refund	(9.45)	(7.45)
Net gain/(loss) on Fair Valuation of Investments	(8,046.69)	68.95
Liability no longer required written back	–	(0.43)
Operating Profit before Working Capital Changes	(1,605.01)	(3,156.44)
Increase/(Decrease) in Trade Payables, other liabilities and provisions	26,827.68	718.84
Decrease/(Increase) in trade receivables, loans, advances and other assets	(10,447.00)	1,601.63
Cash generated from/(used in) Operating activities	14,775.67	(835.97)
Direct Taxes paid (Net of refunds)	(454.88)	(66.55)
Net Cash flow from/(used in) Operating Activities	14,320.79	(902.52)
B. Cash Flow from Investing Activities		
Payments for Property, plant and equipment (including Intangible Assets and Intangible assets under Development)	(14,360.25)	(34,033.18)
Acquisition adjustment of subsidiary	(86,781.76)	(13.96)
Loan taken/(given)	(11,273.77)	(2,308.79)
(Increase)/ Decrease in Investments	7,921.19	(3,828.59)
Investment in fixed deposits	(300.65)	–
Advance against Warrant/Optionally convertible debenture	–	6,611.90
Interest received	1,684.03	275.84
Net Cash flow from/(used in) Investing activities	(1,03,111.21)	(33,296.78)

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

(₹ in lakhs)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
C. Cash Flow from Financing Activities		
Proceeds from issuance of share capital (net of share issue expenses)	57,283.90	56,132.14
Repayment of long term borrowings	–	(35,709.50)
Increase/(Decrease) in Goodwill on consolidation	(34.57)	(2,513.00)
Proceeds from long term borrowings	48,542.30	–
Proceeds from warrant	–	16,592.00
Repayment of warrant	(16,592.00)	–
Proceeds from/(Repayment of) short term borrowings (net)	(300.00)	4,025.00
Interest paid	(305.07)	(3,193.28)
Dividend including dividend tax paid	(505.45)	–
Net Cash Flow from/(used in) Financing Activities	88,089.11	35,333.36
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(701.31)	1,134.06
Opening Cash and Cash Equivalents (Refer Note No.14)	1,923.42	789.36
Closing Cash and Cash Equivalents (Refer Note No.14)	1,222.11	1,923.42

Note:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS -7 "Statement of Cash Flow".
- Interest paid is inclusive of and Investments is exclusive of interest capitalised ₹649.01 Lakh (March 31, 2017: ₹3494.72 Lakh). Similarly, interest of ₹254.81 Lakh (March 31, 2017: ₹435.60 Lakh) earned on advances and adjusted with borrowing costs, has been included in interest received to the extent realised during the year.
- During the year, Share/debenture application money given aggregating to ₹ Nil (March 31, 2017: ₹1384.90 Lakh) have been converted into investments in Equity Shares/debenture.

The accompanying notes 1 to 37 are an integral part of the Consolidated Financial Statements.

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner
Membership No.095960

Place : New Delhi
Date : 29th May, 2018

For and on behalf of the Board of Directors

Bajrang K Choudhary
Managing Director
DIN: 00441872

Naresh Mathur
Company Secretary

Brahm Dutt
Chairman
DIN: 05308908

Sanjay Banka
Chief Financial Officer
Place : Kolkata

Consolidated Statement of Changes in Equity for the year ended March 31, 2018

A. Equity Share Capital:

(₹ in lakhs)

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
For the year ended March 31, 2016	1,000.00	–	1,000.00
For the year ended March 31, 2017	1,000.00	4,465.00	5,465.00
For the year ended March 31, 2018	5,465.00	2,930.00	8,395.00

B. Other Equity:

(₹ in lakhs)

Particulars	Reserves and Surplus			Attributable to owners of parent	Non controlling interest	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings			
Balance as of 1st April 2016	31.80	–	(6,662.03)	(6,630.23)	4.13	(6,626.10)
Changes in other equity for year ended March 31, 2017						
Adjustment on consolidation	–	–	(130.86)	(130.86)	–	(130.86)
Profit/(Loss) for the year	–	–	(6,230.77)	(6,230.77)	(1.47)	(6,232.24)
Other comprehensive income for the year	–	–	(31.82)	(31.82)	0.01	(31.81)
Total comprehensive income for the year	–	–	(6,262.59)	(6,262.59)	(1.46)	(6,264.05)
Non controlling interest arising on acquisition	–	–	–	–	3,175.52	3,175.52
Deduction during the year	(31.80)	–	–	(31.80)	–	(31.80)
Dividend	–	–	–	–	–	–
Dividend distribution tax	–	–	–	–	–	–
Premium received on issue of shares	–	51,967.50	–	51,967.50	–	51,967.50
Utilized for share issue expenses	–	(300.36)	–	(300.36)	–	(300.36)
Balance as at 31st March 2017	–	51,667.14	(13,055.48)	38,611.66	3,178.19	41,789.85
Changes in other equity for year ended 31st March 2018						
Profit/(Loss) for the year	–	–	2,330.76	2,330.76	(16.16)	2,314.60
Other comprehensive income for the year	–	–	(4.67)	(4.67)	–	(4.67)
Dividend	–	–	–	–	–	–
Dividend distribution tax	–	–	–	–	–	–
Total comprehensive income for the year	–	–	2,326.10	2,326.10	(16.16)	2,309.94
Non controlling interest arising on acquisition	–	–	–	–	8,032.90	8,032.90
Additions on acquisition of subsidiary	3,147.46	–	–	3,147.46	–	3,147.46
Premium received on issue of shares	–	57,135.00	–	57,135.00	–	57,135.00
Interim Dividends (FY 2017-18 : ₹0.50 per share)	–	–	(505.45)	(505.45)	–	(505.45)
Utilized for share issue expenses	–	(2,781.10)	–	(2,781.10)	–	(2,781.10)
Balance as at 31st March 2018	3,147.46	1,06,021.04	(11,234.84)	97,933.66	11,194.93	1,09,128.59

Capital Reserve

The Reserve represents impact arising on Consolidation.

Securities Premium Reserves

Securities premium reserves is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

Retained Earnings

The reserve represent the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 37 are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For S.S. Kothari Mehta & Co.

Chartered Accountants

Firm Registration No. 000756N

Neeraj Bansal

Partner

Membership No.095960

Place : New Delhi

Date : 29th May, 2018

For and on behalf of the Board of Directors

Bajrang K Choudhary

Managing Director

DIN: 00441872

Naresh Mathur

Company Secretary

Brahm Dutt

Chairman

DIN: 05308908

Sanjay Banka

Chief Financial Officer

Place : Kolkata

Notes to the consolidated financial statements for the year ended March 31, 2018

1. COMPANY OVERVIEW

Corporate Information

BRNL is domiciled and incorporated in India and its shares are quoted on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') w.e.f. 18th September, 2017. The Registered Office of the Company is at 5th Floor, 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046.

The Company is presently engaged in the business of designing, building, operating, maintaining and carrying out all other activities pertaining to road projects. As per the guidelines of respective Government Authority and the requirements of the Concession Agreements, such road projects are required to be implemented under the Built, Operate & Transfer (BOT) model by creating Special Purpose Vehicles (SPVs) so that after the concession period, the SPV can be transferred to the respective authority on an "as is where is basis". The Company has, therefore, invested in various road projects under the aforesaid SPV model.

2. (i) 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, 2017 and therefore Ind AS issued, notified and made effective till the financial statements are authorised have been considered for the purpose of preparation of these financial statements.

These are the Company's first Ind AS Consolidated Financial Statements and the date of transition to Ind AS as required has been considered to be April 1, 2016.

The Group financial statement upto the year ended March 31, 2017, were prepared as per the previous GAAP under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles and Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 then applicable to the Company. Previous GAAP figures in the Financial Statements have now been restated in compliance to Ind AS.

In accordance with Ind AS 101-"First Time adoption of Indian Accounting Standards", the Company has presented within Note 36 a reconciliation of Shareholders' equity as given earlier under previous GAAP and those considered in these accounts as per Ind AS as at March 31, 2017, and April 1, 2016 and also the Net Profit as per previous GAAP and that arrived including Other Comprehensive Income under Ind AS for the year ended March 31, 2017. The mandatory exceptions and optional exemptions availed by the Company on First-time adoption have been detailed in Note 3.23 of the financial statement.

(ii) Recent Pronouncement

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 April 1, 2018. The Company is evaluating the effect of this on the financial statements.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customer. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. 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 customer.

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 effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The company is evaluating the effect on adoption of Ind AS 115 and will adopt it on April 1, 2018 as may be applicable.

Notes to the consolidated financial statements for the year ended March 31, 2018

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Preparation

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

Historical cost convention is generally based on 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. All 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 Consolidated Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

Basis of Consolidation

The Consolidated Financial Statements (CFS) includes the financial statements of the Company and its subsidiaries together with the share of the total comprehensive income of associates.

Subsidiaries are entities controlled by the Group. Associates are entities over which the Group exercise significant influence but does not control. An entity / arrangement in which the Group has the ability to exercise control jointly with one or more uncontrolled entities may be a joint venture ("JV") or a joint operation ("JO"). Unlike in a JV where parties have proportionate interests in the assets and liabilities of the JV entity, parties have rights to and obligations towards specified assets and liabilities in a JO.

Control, significant influence and joint control is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Group in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment. Such assessment requires the exercise of judgement and is disclosed by way of a note to the Financial Statements.

The assets, liabilities, income and expenses of subsidiaries are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the CFS. On disposal of the subsidiary, attributable amount on goodwill is included in the determination of the profit or loss and recognised in the Statement of Profit and Loss. Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or a group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

An investment in an associate or a JV is initially recognized at cost on the date of the investment, and inclusive of any goodwill/ capital reserve embedded in the cost, in the Balance Sheet. The proportionate share of the Group in the net profits / losses as also in the other comprehensive income is recognised in the Statement of Profit and Loss and the carrying value of the investment is adjusted by a like amount (referred as 'equity method').

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3.2 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:

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

Notes to the consolidated financial statements for the year ended March 31, 2018

Level 2 : inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability

Level 3 : inputs for the asset or liability which are not based on observable market data.

3.3 Property Plant and Equipment (PPE)

- (i) Freehold land is carried at historical cost. All other items of PPE are stated at their cost of acquisition or construction and is net of accumulated depreciation. Carrying value of PPE on the date of transition has been considered to be deemed cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.
- (ii) All project related expenses via civil works, machinery under erection, construction and erection materials, pre-operative expenditure net of revenue incidental / attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations are shown under Capital Work -In-Progress (CWIP).
- (iii) Depreciation on property plant and equipment commences when the assets are ready for their intended use.
- (iv) Depreciation on PPE is provided on the straight-line method over the useful lives of the respective asset as specified in Part C of Schedule II to Companies Act, 2013. The useful life of assets considered for depreciation as above are as follows:

Category	Useful life (years)
Computers	3, 6 years
Furniture & fixtures	10 years
Electrical Installation	10 years
Plant & Machinery	8, 10 years
TMS	5 years
Office equipments	5 years

- (v) The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (vi) Cost of leasehold lands are amortised under the straight line method over the related lease period.
- (vii) Assets constructed/acquired in relation to assets taken on operating lease are amortised over the primary period of lease.

3.4 Intangible Assets

Recognition and initial measurement

i) Rights under Service Concession Arrangements

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

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

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

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

Notes to the consolidated financial statements for the year ended March 31, 2018

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

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

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

Amortisation of intangible assets (Toll collection rights)

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

ii) Other Intangible Assets

Cost of computer software packages has been allocated / amortised over a period of 6 years on straight line basis

3.5 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 sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.6 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.

3.7 Leases

Leases are classified as finance leases whenever in terms of the lease all the risks and rewards incidental to the ownership of an asset are substantially transferred to the Company. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Any initial direct cost of the lessee is added to the amount recognized as an asset. Each Lease payment is apportioned between finance charge and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognized as expenses on a straight-line basis over the term of the lease unless the lease arrangement are structured to increase in the payments in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

3.8 Investments in Subsidiaries, Associates and Joint Ventures

The Company's investment in the equity shares of its associates & joint ventures is accounted for using the 'equity method' less accumulated impairment, if any. All other investments in scope of Ind AS 109 are measured at fair value.

Notes to the consolidated financial statements for the year ended March 31, 2018

3.9 Financial Assets and Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when 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 recognized 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 operating cycle of the company or otherwise these are classified as non current.

The financial instruments are classified to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) and such classification 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 amortized 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 exactly 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, the principal is considered to be 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 (FVTPL)

Financial Instruments which do not meet the criteria of amortized 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.

(vi) Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value (except equity investment in subsidiary, associates and joint ventures). For equity instruments, the company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument by-instrument basis.

Notes to the consolidated financial statements for the year ended March 31, 2018

The classification is made on initial recognition and is irrevocable if the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

3.10 Financial guarantee contracts

Financial guarantee contracts other than those which are in the nature of Insurance are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortization.

3.11 Impairment of Financial Assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial instrument 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.

3.12 De-recognition 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.

3.13 Inventories

Inventories are valued at lower of cost or net realisable value

Cost is calculated on weighted average basis and includes expenditure incurred for bringing such inventories to their present location and condition. Adjustments in the carrying amount of obsolete, defective and slow moving items as may be identified at the time of physical verification is made where appropriate, to cover any eventual loss on their ultimate realisation.

3.14 Foreign Currency Transactions

Presentation currency:

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the company.

Transactions and balances:

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the profit and loss account. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost.

Notes to the consolidated financial statements for the year ended March 31, 2018

3.15 Provision, 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 recognized 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 is 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 disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

3.16 Post-employment, long term and short term employee benefits

Defined contribution plans

Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Defined benefit plans

Gratuity (Unfunded)

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statement in respect of gratuity is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Short Term Employee Benefits

Recognised at the undiscounted amount as expense for the year in which the related service is provided.

3.17 Revenue Recognition

Toll Collection

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

Construction services

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

Notes to the consolidated financial statements for the year ended March 31, 2018

Service Revenue

Revenue from services is recognized in the period in which services are rendered. It is measured at fair value of consideration received or receivable for the services rendered. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company, it can be reliably measured and it is reasonable to expect ultimate collection.

Interest Income

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

Other Income

Other Income is recognized when right to receive is established.

3.18 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest rate method except to the extent attributable to qualifying asset which are capitalized to the cost of the related assets. A qualifying asset is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

3.19 Income Tax

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 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. Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense taxable on the basis different than that considered for recognition in the accounts and also due to the items that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

3.20 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to the consolidated financial statements for the year ended March 31, 2018

3.21 Use of Estimates and management judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The areas involving critical judgement are as follows:

i) Useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

ii) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

iii) Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate.

iv) Income Taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

v) Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

3.22 Government Grant

Group entities may receive government grants that require compliance with certain conditions related to the entity's operating activities or are provided to the entity by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Group entity will comply with the conditions attached to the grant. Accordingly, government grants:

Notes to the consolidated financial statements for the year ended March 31, 2018

- (a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

3.23 First-time adoption of Ind-AS

- i) These are the company's first financial statements prepared in accordance with Ind AS. For the year ended 31st March 2017, the company had prepared its financial statements in accordance with Companies (Accounting Standard) Rules 2006, notified under Section 133 of the Act and other relevant provisions of the Act (previous GAAP).

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31 March 2018, including the comparative information for the year ended 31 March 2017 and then opening Ind AS balance sheet on the date of transition i.e. 1st April 2016.

In preparing its Ind AS balance sheet as at 1st April 2016 and in presenting the comparative information for the year end 31st March 2017, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the previous GAAP. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet and Statement of Profit and Loss, is set out in note 30.

- ii) **Exemptions and exceptions availed**

Exemptions

- a) **Deemed Cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the Company has elected to measure all of its property, plant and equipment at previous IGAAP value.

- b) **Investments in subsidiaries and associates**

The company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries and associates as deemed cost as on the date of transition to Ind AS. However, the debt instruments in subsidiaries and associates are recognized at fair value.

- iii) **Estimates**

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

FVTOCI – equity shares

Amortised cost – debt securities

Impairment of financial assets based on expected credit loss model.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2016, the date of transition to Ind AS and as of 31 March 2017.

- iv) **Exceptions**

Classification and measurement of financial assets

The company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exists at the date of transition to Ind -AS.

Notes to the consolidated financial statements for the year ended March 31, 2018

4. PROPERTY, PLANT AND EQUIPMENT

As at March 31, 2018

(₹ in lakhs)

Particulars	Land	Computers	Office Equipments	Furniture and Fixtures	Electrical Installations	Plant & Machinery	TMS	Total
Cost								
As at April 1, 2017	13.32	4.42	4.63	8.43	0.82	–	–	31.62
Acquired through business combination	–	2.51	17.52	3.45	–	63.30	38.05	124.83
Additions during the year	–	4.06	9.70	3.33	–	6.02	–	23.11
Balance at March 31, 2018	13.32	10.99	31.85	15.21	0.82	69.32	38.05	179.56
Accumulated depreciation								
As at April 1, 2017	–	1.65	1.22	1.00	0.09	–	–	3.96
Acquired through business combination	–	0.64	10.70	0.94	–	3.94	12.73	28.94
Depreciation expense for the year	–	2.28	2.49	1.25	0.09	0.18	0.08	6.38
Balance at March 31, 2018	–	4.57	14.41	3.19	0.18	4.12	12.81	39.28
Net book value as at March 31, 2018	13.32	6.42	17.44	12.02	0.64	65.20	25.24	140.28
Net book value as at March 31, 2017	13.32	2.77	3.41	7.43	0.73	–	–	27.66

As at March 31, 2017

(₹ in lakhs)

Particulars	Land	Computers	Office Equipments	Furniture and Fixtures	Electrical Installations	Plant & Machinery	TMS	Total
Cost								
As at April 1, 2016	2.13	2.53	2.48	4.88	0.82	–	–	12.84
Acquired through business combination	11.19	0.09	0.68	2.53	–	–	–	14.49
Additions	–	1.80	1.47	1.02	–	–	–	4.29
Balance at March 31, 2017	13.32	4.42	4.63	8.43	0.82	–	–	31.62
Accumulated depreciation								
As at April 1, 2016	–	–	–	–	–	–	–	–
Acquired through business combination	–	0.06	0.23	0.25	–	–	–	0.53
Depreciation expense for the year	–	1.59	0.99	0.75	0.09	–	–	3.43
Disposal & other adjustments	–	–	–	–	–	–	–	–
Balance at March 31, 2017	–	1.65	1.22	1.00	0.09	–	–	3.96
Net book value as at March 31, 2017	13.32	2.77	3.41	7.43	0.73	–	–	27.66
Net book value as at April 1, 2016	2.13	2.53	2.48	4.88	0.82	–	–	12.84

Note:

Out of the total Depreciation expenses on Property, Plant & Equipments of ₹6.38 lakh (FY 2016-17 : ₹3.43 lakh), ₹0.71 lakhs (FY 2016-17 : ₹0.33 Lakhs) has been capitalised under "Intangible assets under development" and the balance of ₹5.67 lakh (FY 2016-17 : ₹3.10 lakh) has been charged to the Statement of Profit and Loss for the year.

Notes to the consolidated financial statements for the year ended March 31, 2018

5. INVESTMENT PROPERTY

As at March 31, 2018

(₹ in lakhs)

Particulars	Land	Total
Cost		
As at April 1, 2017	–	–
Additions	–	–
Acquired through business combination	4.85	4.85
Balance at March 31, 2018	4.85	4.85
Accumulated depreciation		
As at 1st April 2017	–	–
Depreciation expense for the year	–	–
Balance at March 31, 2018	–	–
Net book value as at March 31, 2018	4.85	4.85
Net book value as at March 31, 2017	–	–

As at March 31, 2017

(₹ in lakhs)

Particulars	Land	Total
Cost		
As at 1st April 2016	–	–
Additions	–	–
Acquired through business combination	–	–
Balance at March 31, 2017	–	–
Accumulated depreciation		
As at 1st April 2016	–	–
Depreciation expense for the year	–	–
Balance at March 31, 2017	–	–
Net book value as at March 31, 2017	–	–
Net book value as at April 1, 2016	–	–

6. OTHER INTANGIBLE ASSETS

As at March 31, 2018

(₹ in lakhs)

Particulars	Computer Software	Rights under service concession arrangements	Total
Cost			
As at 1st April 2017	2.34	–	2.34
Additions	1.71	–	1.71
Acquired through business combination	–	95,110.47	95,110.47
Balance at March 31, 2018	4.05	95,110.47	95,114.52
Accumulated amortisation			
As at 1st April 2017	0.68	–	0.68
Acquired through business combination	–	8,428.73	8,428.73
Depreciation expense for the year	0.72	36.17	36.89
Balance at March 31, 2018	1.40	8,464.90	8,466.30
Net book value as at March 31, 2018	2.65	86,645.57	86,648.22
Net book value as at March 31, 2017	1.66	–	1.66

Notes to the consolidated financial statements for the year ended March 31, 2018

As at March 31, 2017

(₹ in lakhs)

Particulars	Computer Software	Rights under service concession arrangements	Total
Cost			
As at 1st April 2016	0.49	–	0.49
Additions	1.34	–	1.34
Acquired through business combination	0.51	–	0.51
Balance at March 31, 2017	2.34	–	2.34
Accumulated amortisation			
As at 1st April 2016	–	–	–
Acquired through business combination	0.51	–	0.51
Depreciation expense for the year	0.17	–	0.17
Balance at March 31, 2017	0.68	–	0.68
Net book value as at March 31, 2017	1.66	–	1.66
Net book value as at April 1, 2016	0.49	–	0.49

7. INTANGIBLE ASSETS UNDER DEVELOPMENT

As at March 31, 2018

(₹ in lakhs)

Particulars	Capital Work in Progress	Total
Cost		
As at 1st April 2017*	42,001.94	42,001.94
Additions*	12,156.39	12,156.39
Balance at March 31, 2018	54,158.33	54,158.33

As at March 31, 2017

(₹ in lakhs)

Particulars	Capital Work in Progress	Total
Cost		
As at 1st April 2016	29,381.74	29,381.74
Additions**	12,620.20	12,620.20
Balance at March 31, 2017	42,001.94	42,001.94
Accumulated depreciation		
As at 1st April 2016	–	–
Depreciation expense for the year	–	–
Balance at March 31, 2017	–	–
Net book value as at March 31, 2017	42,001.94	42,001.94
Net book value as at April 1, 2016	29,381.74	29,381.74

* The above Intangible Assets under Development of ₹54,158.33 lakh (Previous year ₹42,001.94 lakh) is in respect of one subsidiary which has not commenced the business operations during the year hence all the expenses other than Capital work in Progress, incurred in relation to project are transferred to Expenditure During Construction.

** Transferred to claims under Other Financial Assets (refer note No.10 (i))

Notes to the consolidated financial statements for the year ended March 31, 2018

8. NON-CURRENT INVESTMENTS

Particulars	Face Value (₹)	As at 31 March 2018			As at 31 March 2017			As at 1 April 2016		
		Nos.	₹ in lakhs	₹ in lakhs	Nos.	₹ in lakhs	₹ in lakhs	Nos.	₹ in lakhs	₹ in lakhs
I) Investments in Unquoted Equity Instruments Fully paid ^{A,C,D}										
a) In Associates (at cost)										
Orissa Steel Expressway Pvt. Ltd. ^E										
Cost of acquisition (including goodwill of ₹2030.45 lakh as on April 1, 2016)	10	–	–	–	–	–	–	3,49,49,667	5,523.14	–
Add/(less) : Group Share of profit / (losses)		–	–	–	–	–	–	–	(3.80)	5,519.34
Kurukshetra Expressway Pvt. Ltd.										
Cost of acquisition (including goodwill of ₹1,877.89 lakh (March 31, 2017 ₹5,506.26 lakh, April 1, 2016 ₹3,553.19 lakh)	10	5,10,86,910	11,445.94	–	5,10,86,910	11,284.13	–	3,05,81,950	9,257.72	–
Add/(less) : Group Share of profit / (losses)			(9,383.38)	2,062.56		(7,139.05)	4,145.08		(4,463.88)	4,793.84
Ghaziabad Aligarh Expressway Pvt. Ltd.										
Cost of acquisition (including goodwill of ₹43.45 lakh (March 31, 2017 ₹7,640.74 lakh, April 1, 2016 ₹6,521.97 lakh)	10	7,56,60,000	15,424.58	–	7,56,60,000	15,206.54	–	7,56,55,000	14,087.48	
Add/(less) : Group Share of profit / (losses)			(4,641.02)	10,783.56		(3,975.85)	11,230.69		(1,666.55)	12,420.93
Shree Jagannath Expressways Pvt. Ltd.										
Cost of acquisition (including goodwill / (capital reserve) of ₹ (619.50) lakh (March 31, 2017 ₹5,143.33 lakh, April 1, 2016 ₹2,161.55 lakh)	10	5,91,48,000	11,216.70		5,91,48,000	11,058.13		3,84,52,400	6,006.79	
Add/(less) : Group Share of profit / (losses)			(611.83)	10,604.87		(162.29)	10,895.84		–	6,006.79
Guruvayoor Infrastructure Pvt Ltd. ^F										
Cost of acquisition (including goodwill of Nil (March 31, 2017 ₹9,010.78 lakh, April 1, 2016 ₹7,058.85 lakh)	10	–	–		8,27,80,000	11,404.90		4,52,70,000	7,625.70	
Add/(less) : Group Share of profit / (losses)			–	–		(331.20)	11,073.70		23.49	7,649.19
Potin Pangin Highways Pvt. Ltd. (cease to be associate w.e.f. November 12, 2016)										
Cost of acquisition (including goodwill of ₹0.92 lakh as on April 1, 2016)	10	–	–		–	–		20,000	2.75	
Add/(less) : Group Share of profit / (losses)			–	–		–	–		(0.60)	2.15
Mahakaleshwar Tollways Pvt. Ltd. (associate w.e.f October 28, 2016)										
Cost of acquisition (including goodwill of ₹2,875.85 lakh (March 31, 2017 ₹2,952.13 lakh, April 1, 2016 Nil)	10	4,99,95,000	1,499.85		4,99,95,000	1,499.85		–	–	
Add/(less) : Group Share of profit / (losses)			(631.14)	868.71		(346.17)	1,153.68		–	–
				24,319.70			38,498.99			36,392.24

Notes to the consolidated financial statements for the year ended March 31, 2018

Particulars	Face Value (₹)	As at 31 March 2018			As at 31 March 2017			As at 1 April 2016		
		Nos.	₹ in lakhs	₹ in lakhs	Nos.	₹ in lakhs	₹ in lakhs	Nos.	₹ in lakhs	₹ in lakhs
II) Investment in Unquoted Unsecured Optionally Convertible Debentures Fully paid ^{A,B,C}										
a) In Associates (at fair value through profit or loss)										
Kurukshetra Expressway Pvt. Ltd.	10	9,31,43,600		9,319.84	51,84,200		463.15	–		–
Potin Pangin Highways Pvt. Ltd. (cease to be associate w.e.f. November 12, 2016)	10	–		–	–		–	19,85,500		275.89
Mahakaleshwar Tollways Pvt. Ltd. (Associates w.e.f. October 28, 2016)	10	2,93,76,600		2,940.14	–		–	27,18,100		271.81
				12,259.98			463.15			547.70
III. In Unquoted Warrants Fully paid ^A										
a) In Associates (at fair value through profit or loss)										
Ghaziabad Aligarh Expressway Pvt. Ltd.	10	4,81,88,780		5,689.97	4,81,88,780		5,080.34	–		–
				5,689.97			5,080.34			–
Aggregate amount of Unquoted Investments (I+II+III)				42,269.65			44,042.48			36,939.94
Aggregate amount of impairment in the value of investments				–			–			–

^A Refer Note 33.4

^B The Unsecured Optionally Convertible Debentures does not carry any fixed rate of interest. Rate of interest, subject to maximum of 16% cumulative interest, shall be decided at the end of every Financial Year based on the residual cash flows of the respective subsidiaries and associates after servicing their respective Senior Lenders.

^C Investment in Optionally Convertible Debenture of Kurukshetra Expressway Pvt. Ltd. includes 87959400 units (March 31, 2017 : Nil, April 1, 2016 : nil), which are in the process of transfer in the name of the Company as on March 31, 2018.

^D The Company has pledged its following investments in equity shares of various SPVs aggregating to ₹12,033.92 lakh (As at 31st March 2017: ₹18,892.69 lakh, As at April 1, 2016: ₹23,536.84 lakh), in favour of lenders for term loan facilities availed by respective SPVs :

Particulars	As at March 31, 2018 (No. of shares)	As at March 31, 2017 (No. of shares)	As at April 01, 2016 (No. of shares)
Orissa Steel Expressway Pvt. Ltd.	–	–	1,71,25,238
Kurukshetra Expressway Pvt. Ltd.	1,69,11,420	1,69,11,420	1,69,11,420
Ghaziabad Aligarh Expressway Pvt. Ltd.	3,85,86,600	3,85,86,600	3,85,86,600
Shree Jagannath Expressways Pvt. Ltd.	3,01,65,480	3,01,65,480	3,01,65,480
Guruvayoor Infrastructure Pvt Ltd	–	4,22,18,106	4,22,18,106
Potin Pangin Highways Pvt. Ltd.	–	–	5,355
Mahakaleshwar Tollways Pvt. Ltd.	2,54,97,450	2,54,97,450	–

^E Orissa Steel Expressway Pvt. Ltd. and Guruvayoor Infrastructure Pvt Ltd. cease to be associate and became subsidiary w.e.f. November 12, 2016 and March 28, 2018 respectively.

^F During the year, the Company has acquired further 24.99% stake in the equity shares of Guruvayoor Infrastructure Private Limited (GIPL) in addition to the 49% stake in the equity shares already held by the Company. Consequently GIPL became subsidiary of the Company w.e.f. March 28, 2018 with 73.99% stake in its equity shares.

Notes to the consolidated financial statements for the year ended March 31, 2018

9. FINANCIAL ASSETS- LOANS

(i) Non-current

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good			
Loan to related parties (Refer note no. 33.8)	–	2,294.97	–
Security deposits	3.13	16.70	2.88
Total	3.13	2,311.67	2.88

(ii) Current

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good			
Loan to related parties (Refer note no. 33.8)	12,336.42	–	–
Inter corporate deposit to related parties (Refer note no. 33.8)	–	–	1,084.11
Security deposits	311.04	–	–
Other advances	30.15	–	–
Total	12,677.61	–	1,084.11

10. OTHER FINANCIAL ASSETS

(i) Non-current

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured, considered good			
Advance to KMC	904.70	–	–
(Advance given to KMC Constructions Limited is in lieu of 4 nos Bank Guarantees of ₹500 lakh each, aggregating to ₹2,000 lakh provided by KMCCL to IDFC Bank Limited on behalf of Guruvayoor Infrastructure Private Limited in lieu of creation of Debt Service Reserve Account in terms of the financing agreements executed with the secured lenders)			
Unsecured, considered good			
Claims (Transferred from Intangible Assets under Development) (Refer Note No. 33.7)	23,055.78	21,294.55	–
Advance against Warrant/ Optionally Convertible Debentures to related parties (Refer Note No. 33.8)	–	–	6,611.90
Total	23,960.48	21,294.55	6,611.90

(ii) Current

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Interest accrued and due on loan (includes due from related parties) (Refer note 33.8)	424.11	669.53	245.41
Interest accrued but not due on loans to related parties (Refer note 33.8)	–	–	513.64
Interest accrued on fixed deposit	10.72	0.15	–
Security deposit	2.69	–	–
DSRA deposit	303.84	1,426.58	–
Advance to Suppliers and Others	252.50	363.52	2,589.19
Advance to Staffs	–	1.65	0.03
Other receivables	–	–	23.25
Total	993.86	2,461.43	3,371.52

Notes to the consolidated financial statements for the year ended March 31, 2018

11. (i) OTHER NON-CURRENT ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Capital advances	5,440.81	4,457.71	3,653.83
Others			
Unallocated borrowings cost	–	–	30.70
Security deposits	14.24	–	–
WCT receivables	55.18	53.89	42.59
Deferred expense on advance to KMCIL	1,095.30	–	–
Total	6,605.53	4,511.60	3,727.12

11. (ii) OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Capital advances	270.86	270.86	–
Advances other than capital advances			
Receivable from NHAI (Change of Scope - Signal Systems)	388.71	20.27	–
Interest receivable From KMCCL (VUP Advance)	131.75	–	–
Advance to Vendors for Major Maintenance Work	5.46	–	–
Advance for COS	18.83	–	–
Other Advances	19.00	–	–
Others			
GST receivable / Service tax receivable	54.21	18.09	–
Prepaid expenses	37.23	1.81	1.41
Unamortised borrowing costs	119.54	63.11	37.91
Total	1,045.59	374.14	39.32

12. INVESTMENTS- CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Carried at fair value through profit or loss			
Quoted			
Fully paid up			
Investment in Liquid Mutual fund	13,888.32	810.64	1,016.53
Total	13,888.32	810.64	1,016.53

13. TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good	10,374.44	477.00	230.90
Total	10,374.44	477.00	230.90

Notes to the consolidated financial statements for the year ended March 31, 2018

14. CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with Banks			
In current accounts	1,143.66	885.05	790.67
Deposits with original maturity less than three months	–	1,100.00	–
Book overdraft	–	(62.33)	(1.94)
Unclaimed Dividend Account	0.18	–	–
Investment in liquid fund	0.47	–	–
Cash in hand	77.80	0.70	0.63
Total	1,222.11	1,923.42	789.36

15. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Earmarked balances with Banks			
Fixed deposits with banks (Upto 12 months maturity)	300.65	–	–
(Under Lien with bank as margin money against Bank Guarantee)			
Total	300.65	–	–

16. (i) CURRENT TAX ASSETS (NET)

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Tax deducted at source and advance tax	104.36	371.97	308.57
Less: Provision for taxation	–	(48.74)	–
Total	104.36	323.23	308.57

16. (ii) CURRENT TAX LIABILITIES (NET)

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for taxation	907.44	–	–
Less: Tax deducted at source and advance tax	(717.29)	–	–
Total	190.15	–	–

17. EQUITY SHARE CAPITAL

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
(a) Authorised						
Equity shares of par value ₹ 10/- each	10,00,00,000	10,000.00	10,00,00,000	10,000.00	1,00,00,000	1,000.00
		10,000.00		10,000.00		1,000.00
(b) Issued, subscribed and fully paid up						
Equity shares of par value ₹ 10/- each fully paid up	8,39,50,000	8,395.00	5,46,50,000	5,465.00	1,00,00,000	1,000.00
		8,395.00		5,465.00		1,000.00

Notes to the consolidated financial statements for the year ended March 31, 2018

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
At the beginning of the year	5,46,50,000	5,465.00	1,00,00,000	1,000.00	1,00,00,000	1,000.00
Add:- Issued during the year	2,93,00,000	2,930.00	4,46,50,000	4,465.00	–	–
At the end of the year	8,39,50,000	8,395.00	5,46,50,000	5,465.00	1,00,00,000	1,000.00

- (d) Pursuant to Initial Public Offering (IPO), the Company has issued 29,300,000 equity shares of ₹10 each at a premium of ₹195/- per share in financial year 2017-18. The equity shares of the Company are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), w.e.f. 18th September, 2017. The details of utilisation of IPO proceeds are as follows:

(₹ in lakhs)

Particulars	Net proceeds as per Prospectus
Gross proceeds of the Issue	60,065.00
Less: Estimated issue related expenses	3,281.10
Net Proceeds	56,783.90
Add: Saving in issue related expenses	199.64
Total	56,983.54

Utilisation of Issue proceeds

(₹ in lakhs)

Particulars	Objects of the issue as per prospectus	Utilisation till March 31, 2018	Amount pending Utilisation
STPL sponsor investment	5,147.00	5,147.00	–
Acquisition of the sub-ordinate debt in the form of unsecured loan/ OCPIDs/ Warrants/ OCDs, advanced in the identified SPVs	37,225.30	37,225.30	–
Issue related expenses (net of saving of ₹199.64 lakh)	3,081.46	3,081.46	–
General corporate purposes (Including saving in issue related expenses of ₹199.64 lakh)	14,611.24	14,611.24	–
Total	60,065.00	60,065.00	–

- (e) IPO related expenses aggregating to ₹3,081.46 lakh incurred upto March 31, 2018 has been adjusted against Securities Premium Account.
- (f) During financial year 2016-17, the Company has issued 18,000,000 equity shares of ₹10 each at par on right basis and 26,650,000 equity shares of ₹10 each at a premium of INR 195/- per share on private placement basis, whereby outstanding equity shares of the Company as on March 31, 2017 increased to 54,650,000.
- (g) The Company has neither issued bonus shares, bought back any equity shares nor has allotted any equity shares as fully paid up without payment being received in cash during five years immediately preceding March 31, 2018.
- (h) **The rights, preferences and restrictions attached to each class of equity shares are as under:**
The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Dividend when declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the consolidated financial statements for the year ended March 31, 2018

(i) Shareholders holding more than 5 % of the equity shares in the Company :

Name of the shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Srei Venture Capital Trust A/c-Infrastructure Project Development Fund	70,49,800	8.40%	70,49,800	12.90%	49,400	0.49%
Srei Infrastructure Finance Limited	1,66,30,000	19.81%	1,66,30,000	30.43%	–	–
OSPL Infradeal Pvt. Ltd.	95,20,000	11.34%	95,20,000	17.42%	–	–
Srei Venture Capital Trust A/c-Infrastructure Project Development Capital	2,09,50,000	24.96%	2,09,50,000	38.33%	99,50,000	99.50%
Vistar Financiers Pvt. Ltd.	63,84,806	7.61%	–	–	–	–

- (j) Further to Interim Dividend of 5% declared by the Board and paid in current reporting year; On May 29, 2018, the Board of Directors has recommended final dividend of Re. 0.50 (5%) per Equity Share of ₹10 each for the financial year ended March 31, 2018, subject to approval of the shareholders at the ensuing Annual General Meeting.

18. OTHER EQUITY

(₹ in lakhs)

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
(a) Capital reserve						
Balance as per last account	–		31.80		–	
Ind AS transition impact	–		–		31.80	
Add: Addition/(deduction) during the year	3,147.46		(31.80)		–	
Closing balance		3,147.46		–		31.80
(b) Securities premium reserve						
Balance as per last account	51,667.14		–		–	
Add:- Premium received on issue of shares (Refer Note No. 17(f))	57,135.00		51,967.50		–	
Less:- Utilized for share issue expenses (Refer Note No. 17(e))	(2,781.10)		(300.36)		–	
Closing Balance		1,06,021.04		51,667.14	–	–
(c) Retained earnings						
Balance as per last account	(13,055.48)		(6,662.03)		(7,529.28)	
Ind As Transition Impact	–		–		867.25	
Less: Adjustment on consolidation**	–		(130.86)		–	
Add: Net Profit for the year	2,330.76		(6,230.77)		–	
Add: Other comprehensive income for the year	(4.67)		(31.82)		–	
Less: Interim Dividend Payout	(420.00)		–		–	
Less: Corporate Dividend Tax	(85.45)		–		–	
Closing balance		(11,234.84)		(13,055.48)		(6,662.03)
Total		97,933.66		38,611.66		(6,630.23)

**Pursuant to the requirement of section 129(3) of the Companies Act, 2013, the Company had prepared its Consolidated Financial Statement for the first time in the financial year 2014-15. During the financial year 2016-17, the Company had prepared its Consolidated financial statement for the financial year 2013-14 for the purpose of disclosure in offer documents for proposed issue of securities. Consequently, the impact of related party transactions elimination for financial year 2013-14 amounting to ₹130.86 lakh has been adjusted with the opening balance of retained earnings during financial year 2016-17.

Notes to the consolidated financial statements for the year ended March 31, 2018

19. BORROWINGS

(i) Non-current

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Carried at amortized cost			
Secured			
a) Term Loan from Banks	48,691.68	14,204.40	8,353.95
b) Term Loan from Financial Institutions	30,492.53	29,733.56	54,743.02
c) Bonds/Debentures-Unquoted			
i) 5000 Non- Convertible Debentures of Face Value of ₹97,540/- each issued to India Infradebt Limited. Interest rate 11%	4,473.00	–	–
ii) 50000 Non- Convertible Debentures of Face Value of ₹9772.60/- each issued to India Infradebt Limited. Interest rate 11%	4,480.10	–	–
Total Secured	88,137.31	43,937.96	63,096.97
Unsecured			
a) Bonds/Debentures-Unquoted			
Optionally Convertible Participative Interest bearing Debentures (OCPID) of Face Value ₹10/- each.	7,310.21	6,582.00	6,582.00
b) Others			
Sponsor's Fund	–	–	16,592.00
Total Unsecured	7,310.21	6,582.00	23,174.00
Total	95,447.52	50,519.96	86,270.97

A) Terms of secured term loan from Bank

I) Terms of Secured Term loan from Banks as on 31.03.2018 ₹30,622.84 (as on 31.03.2017 Nil, as on 01.04.2016 ₹ Nil)

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

1. A first charge by way of hypothecation of entire movable assets of the respective borrower SPVs, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future;
2. A first charge over all accounts of the respective borrower SPVs, including the Escrow Accounts, that may be opened in accordance with the agreement, or any of the other Project Agreements and all cash flows from the Project as and when they arise, toll collections, receivables and permitted investments or other securities;
3. A first charge on all intangibles including but not limited to goodwill and uncalled capital, present and future and a charge on the uncalled capital;
4. A first charge on the Debt Service Reserve (DSR) and any other reserves and other bank accounts of the respective borrower SPVs wherever maintained;
5. Pledge of shares held by the Sponsor in dematerialized form on the equity share capital of the respective borrower SPVs aggregating to 51% of the total paid up equity share capital of respective borrower SPVs. The shares to be pledged shall be free from any restrictive covenants/lien or other encumbrance under any contract/arrangement including shareholder agreement/joint venture agreement/financing arrangement with regard to pledge/transfer of the shares including transfer upon enforcement of the pledge.
6. An unconditional irrevocable, joint and several corporate guarantee from KMC and KMCIL to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of their aggregate shareholding proportion in the respective borrower SPVs along with its Associates if any.
7. An unconditional irrevocable Sponsors' Undertaking to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of its aggregate shareholding proportion along with its Associates if any.

The Shareholding Proportion for meeting the shortfall in termination payment as above is in terms of the financing documents executed with the Lenders.

Notes to the consolidated financial statements for the year ended March 31, 2018

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

II) Terms of Secured Term loan from Banks as on 31.03.2018 ₹18,102.37 (as on 31.03.2017 ₹14,231.10, as on 01.04.2016 ₹8,353.95)

1. Immovable Properties both present and future, save and except the Project Assets.
2. Assignment by way of security of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents.
3. Moveable Properties of the Company including but not limited to current and non-current assets, plant and machinery, furniture and fixtures, vehicles and all other movable assets both present and future, save and except the Project Assets.
4. All the Receivables, Bank Accounts including without limitation, the Escrow Account, the DSRA, MMRA, the Retention Account and such other bank account that may be opened in terms of the project document.
5. All Insurance Contracts/ Insurance proceeds.
6. Intangible Assets of the Company including but not limited to the Goodwill, Rights, Undertakings and un called capital present and future.
7. The Shareholder of the Company have pledged 51 % of the Equity Shares of the Company in favour of the Security Trustee for the benefit of the Lenders.

The Loan is repayable in 47 unequal quarterly Installments starting from 30th Sept 2018 ending on 31st March 2030. Currently Interest is payable monthly as per simple Interest @ 11.20 % p.a.

B) Secured Loan From Financial Institution

Repayment Schedule as at March 31, 2018

(₹ in lakhs)

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Year	
Secured Term Loan					
Term Loan 6	–	–	–	–	–
Term Loan 7	–	7,000.00	–	–	7,000.00
Term Loan 8	1,300.00	–	–	–	1,300.00
Term Loan 9	6,608.33	2,033.33	3,558.33	–	12,200.00
Term Loan 10	208.22	900.95	8,883.36	–	9,992.53
Total	8,116.55	9,934.28	12,441.69	–	30,492.53

Repayment Schedule as at March 31, 2017

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Year	
Secured Term Loan					
Term Loan 6	1,796.86	898.43	–	–	2,695.28
Term Loan 7	–	7,000.00	–	–	7,000.00
Term Loan 9	8,641.67	3,558.33	–	–	12,200.00
Term Loan 10	163.33	706.72	6,968.23	–	7,838.28
Total	10,601.86	12,163.48	6,968.23	–	29,733.56

Repayment Schedule as at April 1, 2016

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Year	
Secured Term Loan					
Term Loan 1	–	2,268.00	1,134.00	–	3,402.00
Term Loan 2	3,909.40	1,954.70	–	–	5,864.10
Term Loan 3	–	3,733.33	1,866.67	–	5,600.00
Term Loan 4	14,988.49	–	–	–	14,988.49
Term Loan 5	15,000.00	–	–	–	15,000.00
Term Loan 6	5,391.51	–	–	–	5,391.51
Term Loan 10	28.33	230.69	4,237.90	–	4,496.92
Total	39,317.73	8,186.72	7,238.57	–	54,743.02

Notes to the consolidated financial statements for the year ended March 31, 2018

Rupee term loans 1, 2, 3 & 4 are secured by way of first charge on all cash flow & all moveable assets (both present & future), pledge (along with Power of Attorney) of entire shareholding of the Company held by Infrastructure Project Development Fund (IPDF) and Infrastructure Project Development Capital (IPDC) and demand promissory note covering the principal and interest repayment. Interest is payable quarterly, compounding on monthly rest @ SBR-4% per annum. All these loan facilities have been prepaid in full during financial year 2016-17.

Rupee term loans 5 & 6 are secured by way of first charge on all cash flow & all moveable assets (both present & future), pledge (along with Power of Attorney) of entire shareholding of the Company held by Infrastructure Project Development Capital (IPDC) and demand promissory note covering the principal and interest repayment. Interest is payable quarterly, compounding on monthly rest @ SBR-4% per annum. Loan facilities 5 and 6 have been prepaid in full during financial year 2016-17 and 2017-18 respectively.

Rupee term loan 7 is secured by way of first pari passu charge by way of hypothecation of the entire movable fixed assets (both present and future), entire current assets including but not limited to book debts, operating cash flows, receivables, loans and advances, deposits, commissions, investments, revenue of whatsoever nature and wherever arising, both present and future, long term loans and advances and non-current investments (both present and future) and demand promissory note covering the principal, interest and all other amounts. Interest is payable quarterly in arrears @ 12.75% (fixed) per annum.

Rupee term loan 8 is secured by way of first pari passu charge on all cash flows and all moveable assets of the Borrower (both present and future), by the way of hypothecation under the Deed of Hypothecation and Demand Promissory Note for the principal and the Interest payments/repayment and other monies in relation to the Loan facility. Interest to be compounded monthly and paid quarterly in arrears at the end of June, September, December and March of each year @ SBR-5.75% per annum.

Rupee term loan 9 is payable in 24 equal quarterly instalments after a moratorium of 2 years from the COD or SCOD which ever is later. Interest is payable quarterly, compounding on monthly rests @ 13.20% per annum. The Loan is to be secured by way of first pari passu charge by way of hypothecation on the entire assets of the borrower under the deed of hypothecation. The Loan is to be secured by way of pledge of 100% unencumbered issued, subscribed and fully paid up voting equity shares of the respective SPVs held by Bharat Road Network Limited. The Loan is to be secured by way of pledge of 21,87,266 number of issued, subscribed and fully paid up voting equity shares of the company held by AMR India Limited. The Loan is to be secured by way of pledge of 58,32,576 number of issued, subscribed and fully paid up voting equity shares of the company held by MBL Infrastructure Limited.

Rupee Term Loan 10 is secured on:

- (i) Immovable Properties both present and future, save and except the Project Assets.
- (ii) Assignment by way of security of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents.
- (iii) Moveable Properties of the respective SPVs' including but not limited to current and non-current assets, plant and machinery, furniture and fixtures, vehicles and all other movable assets both present and future, save and except the Project Assets.
- (iv) All the Receivables, Bank Accounts including without limitation, the Escrow Account, the DSRA, MMRA, the Retention Account and such other bank account that may be opened in terms of the project document.
- (v) All Insurance Contracts/ Insurance proceeds.
- (vi) Intangible Assets of the respective SPVs including but not limited to the Goodwill, Rights, Undertakings and un called capital present and future.
- (vii) The Shareholder of the respective SPVs have pledged 51 % of the Equity Shares of the respective SPVs in favour of the Security Trustee for the benefit of the Lenders.

The Loan is repayable in 47 unequal quarterly Installments starting from 30th Sept 2018 ending on 31st March 2030. Currently Interest is payable monthly as per simple Interest @ 11.20 % p.a.

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

Interest:

1. Interest is payable at monthly rest, on the last day of each calendar month on the Principal amount of the outstanding NCDs. The NCDs carries interest at a fixed interest rate of 11% p.a which shall fall due for reset after expiry of four years from its deemed date of allotment.
2. The rate of Interest shall include applicable interest tax or other statutory levy, if any on the principal amount of the debenture remaining outstanding each day.

Tenure, Conversion, Repayment and Redemption:

NCDs have been issued in Two Tranches. The Final Maturity date of NCDs shall not exceed 31st March 2025. The redemption of NCD shall take place in accordance with the Redemption Schedule annexed to the Subscription Agreement dated 27th June 2014 for the

Notes to the consolidated financial statements for the year ended March 31, 2018

first Tranche and 06th August 2014 for the second tranche. The redemptions of the NCDs issued under both the tranches shall be in 43 structured quarterly installments with the redemption commencing from September 30, 2014 and final redemption taking scheduled on March 31, 2025.

Security details:

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

1. A first charge by way of hypothecation of entire moveable assets of the respective borrower SPVs, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets both present and future.
2. A first charge over all accounts of the respective borrower SPVs including the Escrow account that may be opened in accordance with this agreements or any of the other project agreements and all cash flows from the project as and when they arise, toll collections, receivables and permitted investments or other securities.
3. A first charge on all intangibles including but not limited to goodwill and uncalled capital, present and future and a charge on the uncalled capital.
4. A first Charge on the Debt Service Reserve (DSR) and any other reserves and other bank accounts of the respective borrower SPVs wherever maintained.
5. Pledge of shares held by the sponsor in dematerialised form on the equity share capital of the respective borrower SPVs aggregating to 51% of the total paid up equity share capital of the respective borrower SPVs. The shares to be pledged shall be free from any restrictive covenants/ lien or other encumbrance under any contract/ arrangements including share holder agreement/ joint venture agreement/ financing arrangement with regard to pledge/ transfer of the shares including transfer upon enforcement of the pledge.
6. An unconditional irrevocable, joint and several corporate guarantee from KMC and KMCIL to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of their aggregate shareholding proportion in the respective borrower SPVs along with its Associates if any.
7. An unconditional irrevocable Sponsors' Undertaking from SREI to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of its aggregate shareholding proportion along with its Associates if any.

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

The respective borrower SPVs shall make out a good and marketable title to its properties to the satisfaction of lenders and comply with all such formalities as may be necessary or required for the said purpose.

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

D) Terms of Unsecured Optionally Convertible Participative Interest bearing Debentures (OCPID) of ₹7310.21 lakh as on 31.03.2018 (as on 31.03.2017- Nil, as on 01.04.2017 - Nil)

Interest:

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

Notes to the consolidated financial statements for the year ended March 31, 2018

Tenure, Conversion and Redemption:

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

Redemption Price

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

Right of Debenture Holders - OCPID

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

E) Terms of Unsecured Optionally Convertible Participative Interest bearing Debentures (OCPID) of ₹ Nil as on 31.03.2018 (as on 31.03.2017 - 6582 lakh, as on 01.04.2017 - 6582 lakh)

Interest:

Total interest shall accrue and will be payable on interest due dates only when the Company has Residual Cash Flows available for distribution after paying all expenses, statutory dues and payment to senior secured lenders. Final rate or amount of interest for the year shall be decided every year at the end of the financial year based on the residual cash flows of the issuer subject to maximum of 16% cumulative interest.

Tenure, Conversion and Redemption:

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

F) Terms of Sponsor's Fund:

The Sponsor's fund is being granted to the company is Repayable at any point of time during the term of the Loan by giving prior notice of 3 (Three) working days after repayment of debt due to Senior Lender. No interest during construction period. The fund/loan will carry fixed yield of 12%, Yield on the Sponsor fund subject to maximum yield of 16% cumulative. Yield on Sponsor fund & the repayment of loan is payable only from the Available cash flow after satisfying the priority of the payment as specified in Clause 4.1.1(a) to (j) of the Escrow Agreement.

(ii) Current

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Carried at amortized cost			
Unsecured: -			
Loan from Financial Institution (NBFC)	5,000.00	5,000.00	-
Inter Corporate Deposit (ICD) from others	-	300.00	1,275.00
Total	5,000.00	5,300.00	1,275.00

Terms of repayment of Unsecured Current borrowing:

- (i) Principal loan amount of ₹5,000.00 lakh (As at March 31, 2017 : ₹5000.00 lakh) was repayable at the end of one year (i.e. December 14, 2017) from the date of disbursement, which remained unpaid as on March 31, 2018 alongwith due interest of ₹166.44 lakh. The loan carries Interest @ 12.50% per annum payable quarterly.
- (ii) Principal ICD amount of ₹ Nil (As at March 31, 2017 : ₹300 lakh) was repayable at the end of 6 months. Interest was payable on maturity @ 9% per annum. The lenders had right to recall the ICD amount in full or part.
- (iii) Principal ICD amount of ₹1025.00 lakh as at April 1, 2016 was repayable at the end of one year. The lenders have right to recall the facility in part or full. Interest was payable on maturity @ 9% per annum.
- (iv) Principal ICD amount of 250.00 lakh as at April 1, 2016 was repayable on expiry of 365 days from the date of renewal of ICD. Interest is payable on maturity @ 10% Simple Interest Per annum.

Notes to the consolidated financial statements for the year ended March 31, 2018

20. OTHER FINANCIAL LIABILITIES

(i) Non current

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Money received against warrants [^]	–	16,592.00	–
Other Payables			
Retention money payable	1,250.38	952.36	498.28
Total	1,250.38	17,544.36	498.28

[^]Subject to a Re-characterisation Event not having taken place, on the maturity of the Warrants, that is, at the end of the Tenure (36 months), the warrants entitle the Warrant-holder to subscribe to one equity share of ₹10/- (Face Value of ₹10 per share) in the Solapur Tollways Private Limited, for each warrant held by the Warrant-Holder. If the Warrant-holder opts not to subscribe to equity shares in the Solapur Tollways Private Limited, the amount paid on the Warrants will be fully forfeited, and thereupon, the Warrant has been deemed to have expired.

The warrant (16,59,20,000 nos) has been issued on 30th June, 2016 and shall expire on 29th June, 2019.

During the financial year 2017-18 the terms of Warrant have been modified namely a) Increase in the tenure of warrant from 36 to 60 months

b) Removal of option to convert the warrant into contingent debt obligation upon occurrence of re-characterisation event. In view of this modification, amount received against warrant has been reclassified as part of Other Equity in FY 2017-18.

(ii) Current

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current maturities of long term borrowings			
i) Term Loan from banks/Financial Institutions	2,846.05	41.51	–
ii) 5000 Non- Convertible Debentures of Face Value of ₹97,540/- each issued to India Infradebt Limited. Interest rate 11%	404.00	–	–
iii) 50000 Non- Convertible Debentures of Face Value of ₹9772.60/-each issued to India Infradebt Limited. Interest rate 11%	406.20	–	–
Negative grant [^]	16,000.00	–	–
Interest accrued but not due on Borrowings	238.36	286.05	359.99
Interest accrued but not due on NCD	2.94	–	–
Interest accrued and due on Borrowings	4,125.39	–	–
Other Payables			
Creditors for capital expenses	1,658.09	1,092.80	–
Retention money payable	682.41	660.32	104.43
Liability for expenses	144.36	39.25	305.93
Salaries and other payroll dues	77.06	47.94	29.37
Payable against Investment purchased*	7,152.29	–	–
Payable to related parties	157.60	–	–
Security Deposit	50.79	–	–
Other Liabilities	721.36	–	–
Total	34,666.90	2,167.87	799.72

* The dues are with respect to purchase of Equity shares and optionally convertible debentures of Guruvayoor Infrastructure Private Limited.

[^] The Scheduled Project Completion Date (SPCD) of one of the Subsidiary project vide Supplementary Agreement dated 23.11.2009 was extended from 21.03.2009 to 21.12.2010 (i.e. for 21 months) and subsequently Concession period was also correspondingly extended from

Notes to the consolidated financial statements for the year ended March 31, 2018

(22.09.2006 - 21.09.2026) to (22.09.2006 - 21.06.2028) i.e. also upto 21 month. Further the Subsidiary requested NHAI for deferment of 2nd & subsequent installments of Negative Grant payable to NHAI. NHAI approved Deferment of Negative Grant subject to payment of Interest on deferred amount @ Bank Rate + 2% and signing of Supplementary Agreement for having no claim on account of deferment. The Subsidiary has not accepted conditional deferment proposal of NHAI and protested against levy of interest and related supplementary agreement. The matter is still under consideration of NHAI. In the absence of agreement with NHAI, Liability for Negative Grant has been accounted for as current liability excluding Interest thereon as NHAI Project Director and Regional Office, NHAI (Chennai) has recommended for deferment of negative grant without levy of any interest to their Headquarters.

21. PROVISIONS

(i) Non current

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for employee benefits (Refer Note No. 33.1)			
- Gratuity	81.97	52.70	11.70
- Leave encashment	33.01	25.22	11.74
- Sick leave availment	13.05	10.24	0.90
Provision for Major Maintenance	592.88	–	–
Total	720.91	88.16	24.34

(ii) Current

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for employee benefits (Refer Note No. 33.1)			
- Gratuity	2.01	0.45	0.04
- Leave encashment	6.79	3.81	1.19
- Sick leave availment	2.99	1.94	0.14
- Other benefits	1.10	–	–
Total	12.89	6.20	1.37

22. DEFERRED TAX LIABILITIES (NET)

As at March 31, 2018

(₹ in lakhs)

Particulars	Opening Balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Depreciation and Amortisation	0.56	0.04	–	0.60
Fair valuation gain/(loss) on Investments	–	313.37	–	313.37
Expenses capitalized but allowed under taxation	27.51	(2.42)		25.09
Tax effect of items constituting deferred tax assets				
Provision for Gratuity	0.56	17.45	2.16	20.17
Net deferred tax liability	27.51	293.54	(2.16)	318.88

Notes to the consolidated financial statements for the year ended March 31, 2018

As at March 31, 2017

(₹ in lakhs)

Particulars	Opening Balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Depreciation and Amortisation	0.30	0.26	–	0.56
Expenses capitalized but allowed under taxation	27.51	–	–	27.51
Tax effect of items constituting deferred tax assets				
Provision for Gratuity	0.30	0.26	–	0.56
Net deferred tax liability	27.51	–	–	27.51

23. TRADE PAYABLES

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
A. Total outstanding dues of micro enterprises and small enterprises*	–	–	–
B. Total outstanding dues of creditors other than micro enterprises and small enterprises	356.36	0.70	41.65
Total	356.36	0.70	41.65

*The Company has not received any memorandum (as required to be filed by suppliers with the notified authority under the Micro, Small and Medium Enterprise Development Act, 2006) claiming their status as micro, small or medium enterprise. Consequently, the amount paid / payable including interest to these parties during the year 2017-18, 2016-17 and 2015-16 is Nil.

24. OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Others			
Unclaimed Dividend	0.18	–	–
Statutory dues	1,457.22	164.81	204.48
Total	1,457.40	164.81	204.48

* There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.

25. REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations		
Sale of services:		
Consultancy Fees	2,433.41	1,025.11
Construction Services	12,739.90	13,126.45
Toll Collection	124.61	–
Other operating income	22.57	–
Total	15,320.49	14,151.56

Notes to the consolidated financial statements for the year ended March 31, 2018

26. OTHER INCOME

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest on Loan	1,494.37	621.90
Less: Adjusted with corresponding Interest expenses	(254.81)	(435.60)
	1,239.56	186.30
Other Interest		
On Fixed Deposit with Bank	123.78	0.17
On Income Tax refund	9.45	7.45
On Commercial Paper	83.32	–
Received from KMCCL	1.44	–
Unwinding Interest - Secured Advance	1.06	–
Others	0.02	–
Fair valuation gain on investments	1,076.14	(68.95)
Gain from Mutual fund	8.46	–
Fair valuation gain on acquisition of subsidiary	6,962.09	–
Gain on disposal of associate	–	0.60
Liability no longer required written back	–	0.43
Other Income	246.05	–
Total	9,751.37	126.00

27. EMPLOYEE BENEFIT EXPENSES

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries & Allowances	842.59	661.82
Contribution to Provident and Other Funds	36.30	22.60
Staff Welfare Expenses	11.65	3.36
Total	890.54	687.78

28. FINANCE COSTS

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest expenses on borrowings	9,957.12	10,703.56
Less: Capitalised to Intangible assets under development/Claims from NHAI	(5,255.84)	(4,128.90)
Less: Capitalised to Investments (Refer note 33.4)	(649.01)	(3,494.72)
	4,052.27	3,079.94
Other borrowings costs	333.44	39.40
Total	4,385.71	3,119.34

29. DEPRECIATION AND AMORTISATION EXPENSES

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on property, plant and equipments (Refer Note 4)	6.38	3.43
Less: Capitalised under "Intangible assets under development"	(0.71)	(0.33)
Amortisation on Other intangible assets (Refer Note 6)	36.89	0.17
Total	42.56	3.27

Notes to the consolidated financial statements for the year ended March 31, 2018

30. OTHER EXPENSES

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Legal & Professional Fees	1,569.37	558.57
Travelling and Conveyance	177.70	89.46
Rent, Rates & Taxes	42.99	23.02
Repairs & Maintenance- Building	0.08	–
Repairs & Maintenance- Machinery	0.05	–
Repairs & Maintenance- Others	8.01	9.56
Membership & Subscription	6.60	6.20
Demat Charges	2.37	0.01
Negative Grant*	43.84	–
Business Development Expenses	6.08	2.39
Advertisement & Publicity	1.57	–
Bad Debts	–	12.54
Insurance Premium	11.22	3.44
Loss on sale of Long Term Trade Investment	–	6.71
Payment to Auditor :		
- For Audit	12.41	6.59
- Other Services	0.06	0.38
Director's Sitting Fees	16.85	11.05
Printing & Stationery	8.76	1.93
Bank charges	5.14	0.38
Vehicle hire and maintenance expenses	42.57	25.41
Communication costs	12.46	3.47
Corporate Social Responsibility Expenses (Refer Note No. 34)	5.00	–
Tender Fees	2.45	–
Office Expenses	0.17	–
Power and Fuel	0.99	–
Provision for Major Maintenance Expenses	7.19	–
Route Operations and Maintenance Costs	651.55	–
Tolling Agency fees & Collection Expenses	4.33	–
General Administrative and Misc expenses	31.09	18.10
Total	2,670.90	779.21

*Pending the execution of Supplementary Agreement with NHAI for deferment of date of commencement of 2nd and subsequent installments of Negative Grant by 21 Months (from September 21, 2014 to June 21, 2016), the liability for Negative Grant installment of ₹4,000 lakh, falling due in September 2017, as per the original schedule has been accounted for in Guruvayoor Infrastructure Private Limited (GIPL). In consolidation, liability of ₹43.84 lakhs on this account has been accounted for on prorated basis from the period GIPL became subsidiary of the Company.

Notes to the consolidated financial statements for the year ended March 31, 2018

31. TAX EXPENSE

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Current Tax		
- Current Tax	863.47	53.80
- Income Tax in respect of Earlier Years	0.43	5.54
Deferred tax (Net)	293.54	–
Total	1,157.44	59.34

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Reconciliation of Tax Expense		
Profit before tax	3,472.04	(6,172.90)
Applicable tax rate	28.84%	33.06%
Computed tax expense (A)	1,001.34	(2,040.95)
Adjustments for:		
(i) Net effect of expenses not allowable for deduction	0.05	–
(ii) Benefit of previously unrecognised tax loss to reduce current tax expense	–	(7.72)
(iii) Share of loss in associate	1,807.64	1,933.19
(iv) Fair valuation gain on acquisition of subsidiary	(2,007.87)	–
(v) Other differences	356.28	174.82
Net adjustments (B)	156.11	2,100.29
Tax Expense (A-B)	1,157.44	59.34

32. OTHER COMPREHENSIVE INCOME

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Items that will not be reclassified to profit or loss		
i) Remeasurements of the defined benefit plans	(5.82)	(31.08)
ii) Share of Other Comprehensive Income in Associates	(1.01)	(0.73)
Less: -Income tax relating to items that will not be reclassified to profit or loss	2.16	–
Total	(4.67)	(31.81)

33. OTHER DISCLOSURES

33.1 Defined Benefit Plans/Long Term Compensated Absences :

Defined Contribution Plans:

The Group provides Provident Fund benefit to all employees. Under this scheme fixed contribution is made to the Regional Provident Fund Commissioner. The Group has no legal and constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay employee benefits.

Defined Benefit Plans:

The Employees' Gratuity scheme, Leave benefit scheme, and Sick Leave availment scheme are the Group's defined benefit plans. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

Notes to the consolidated financial statements for the year ended March 31, 2018

The following tables set out the details of amount recognized in the financial statements in respect of gratuity and leave benefits which is not funded:

(₹ in lakhs)

S. No.	Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
		Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
I	Change in Defined Benefit Obligations (DBO)				
	Present Value of DBO at beginning of the year	53.15	11.74	29.03	12.93
	Adjustment on acquisition	7.55	–	–	–
	Current Service Cost	13.60	9.43	9.57	6.46
	Interest cost	3.82	0.90	1.72	0.75
	Curtailement cost / (credit)	–	–	–	–
	Settlement cost / (credit)	–	–	–	–
	Past service Cost -Plan amendments	–	–	–	–
	Acquisitions	–	–	–	–
	Actuarial Losses / (Gains) - experience	9.82	28.08	9.35	13.69
	Actuarial Losses / (Gains) - demographic assumptions	–	–	–	–
	Actuarial Losses / (Gains) - financial assumptions	(3.96)	3.00	0.11	1.68
	Benefits Paid	–	–	(9.99)	(6.47)
	Employee contribution	–	–	–	–
	Other Adjustments	–	–	–	–
		83.98	53.15	39.80	29.03
II	Net assets / (liability) recognised in Balance Sheet				
	Present value of Defined Benefit Obligation	83.98	53.15	39.80	29.03
	Fair value of plan assets	–	–	–	–
	Funded status [Surplus/(Deficit)]	(83.98)	(53.15)	(39.80)	(29.03)
	Unrecognized past service cost	–	–	–	–
	Net asset/ (liability) recognised in Balance Sheet	(83.98)	(53.15)	(39.80)	(29.03)
	Current Asset / (Liability)	(2.01)	(0.45)	(6.79)	(3.81)
	Non Current Asset / (Liability)	(81.97)	(52.70)	(33.01)	(25.22)
III	Components of Employer Expenses				
	Current Service cost	13.60	9.43	9.57	6.46
	Past service Cost- Plan amendments	–	–	–	–
	Curtailement cost / (credit)	–	–	–	–
	Settlement cost / (credit)	–	–	–	–
	Interest cost	3.82	0.90	1.72	0.752
	Actuarial Losses / (Gains)	–	–	9.47	15.37
	Total expenses recognised in the Statement of Profit and Loss	17.42	10.3	20.76	22.58
	Re-measurements recognised in Other Comprehensive Income				
	Actuarial Losses / (Gains) - experience	9.82	28.08	9.35	13.69
	Actuarial Losses / (Gains) - demographic assumptions	–	–	–	–
	Actuarial Losses / (Gains) - financial assumptions	(3.96)	3.00	0.11	1.68
	Total Re-measurements	5.86	31.08	–	–
	Total expenses recognised in the Statement of Profit & Loss and Other Comprehensive income	23.28	41.41	20.76	22.58

Notes to the consolidated financial statements for the year ended March 31, 2018

(₹ in lakhs)

S. No.	Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
		Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
IV	Actuarial Assumptions				
	Discount Rate	7.6%-8%	7.15%-8%	7.60%	7.15%-7.50%
	Expected return on plan assets	NA	NA	NA	NA
	Salary Escalation	10.00%	10.00%	10.00%	10.00%
	Mortality	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)
	Retirement/ Superannuation Age	Employees: 60 yrs		Employees: 60 yrs	

(₹ in lakhs)

	Particulars	Gratuity	Leave	Gratuity	Leave
V	Accrued Benefit Obligation at 31 March 2018	42.95	21.64	15.87	12.69
VI	Sensitivity Analysis				
	Discount Rate + 100 basis points	(16.28)	(2.94)	(9.67)	(2.77)
	Discount Rate - 100 basis points	17.66	3.41	9.03	3.27
	Salary Increase Rate +1%	13.14	3.13	6.55	3.19
	Salary Increase Rate -1%	(12.98)	(2.76)	(8.00)	(0.52)

Method used for sensitivity analysis: The Sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the plan's sensitivity to such changes can vary over time.

(₹ in lakhs)

S. No.	Particulars	Sick Leave Benefit	
		Year ended March 31, 2018	Year ended March 31, 2017
	Assets/ Liabilities		
1	Defined Benefit Obligation	16.04	12.18
2	Fair Value of Plan Assets	—	—
3	Current Asset / (Liability)	(2.99)	(1.94)
4	Non Current Asset / (Liability)	(13.05)	(10.24)
	Actuarial Assumptions		
1	Discount Rate	7.60%	7.15%
2	Expected return on plan assets	NA	NA
3	Salary Escalation	10.00%	10.00%
4	Mortality	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)
5	Retirement/ Superannuation Age	Employees: 60 yrs	

VII Other disclosures :

Basis of estimates of Rate of escalation in salary :

- The estimates of rate of escalation in salary, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.
- The Gratuity and Leave Encashment have been recognised under "Salaries and allowances" under Note No.27. The remeasurement of the net defined benefit liability are included in Other Comprehensive Income.
- The expected contribution for defined benefit plan for the next financial year is not available and hence not disclosed.

Notes to the consolidated financial statements for the year ended March 31, 2018

33.2 Earnings per Share:

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
a) Profit/(Loss) after Tax (₹ in lakh)	2,314.60	(6,232.24)
b) Weighted average number of Ordinary Equity Shares outstanding used as the denominator for computing Basic Earnings per Share (Nos.)*	7,06,24,521	2,78,65,753
c) Weighted average number of Potential Equity Shares (Nos.)	–	–
d) Weighted average number of Equity Shares outstanding used as the denominator for computing Diluted Earnings per Share (Nos.)	7,06,24,521	2,78,65,753
e) Nominal value of Equity Share per share (₹)	10.00	10.00
f) Basic Earnings per Share (₹) (a/b)	3.28	(22.37)
g) Diluted Earnings per Share (₹) (a/d)	3.28	(22.37)

* During the Financial year 2017-18, 29300000 numbers of equity shares were issued on September 14, 2017 pursuant to Initial Public Offering (IPO).

During financial year 2016-17, the Company has issued 18,000,000 equity shares on right basis and 26,650,000 equity shares on private placement basis on October 28, 2016 and November 12, 2016 respectively. Weighted average number of equity shares has been calculated on a pro-rata basis for the purpose of earning per share.

33.3 Segment Reporting

The Group is primarily engaged in a single business segment of own, build, develop, design, operate, transfer road and related services. All the activities of the Group revolve around the main business. As such there are no separate reportable segments as per requirements of Accounting Standard (Ind AS- 108) on operating segment. Further, the Group operates only in India, hence additional information under geographical segments is also not applicable.

33.4 The Company is presently engaged in the business of designing, building, operating, maintaining and carrying out all other activities pertaining to road projects. As per the guidelines of respective Government Authority and the requirements of the Concession Agreements, such road projects are required to be implemented under the Built, Operate & Transfer (BOT) model by creating Special Purpose Vehicles (SPVs) so that after the concession period, the SPV can be transferred to the respective authority on an "as is where is basis". The Company has, therefore, invested in various road projects under the aforesaid SPV model.

These investments have been made on a long term basis with an objective to obtain return and capital appreciation after the commencement of commercial operations of the respective Project.

Based on a legal opinion, the Company has treated these investments as "Qualifying Asset". As required by Indian Accounting Standard (Ind AS) 23 on 'Borrowings Costs', Indian Accounting Standard (Ind AS) 28 on 'Investments in Associates' and in accordance with the accounting concept of 'Matching costs and revenues', the Company has capitalised borrowing cost incurred on funds borrowed exclusively for investments in SPVs as part of the cost of investments.

Accordingly, as at March 31, 2018 total borrowing cost capitalised to Non current Investment amounts to ₹15,894.66 lakh including ₹649.01 lakh for the year ended March 31, 2018 (₹3,494.72 lakh for the year ended March 31, 2017).

33.5 Contingent liabilities

(₹ in lakhs)

Particulars	2017-18	2016-17
Claims against the Company not acknowledged as debt		
- Income Tax	3.75	26.85
- Bank Guarantees	300.65	–
- National Highway Authority of India Claims	4,853.07	136.25
- Others	71.91	–

The Company had made an appeal against the assessment order u/s 143(3) for the financial year 2012-13. During the current financial year, the Company has received favourable order u/s 251 from Ld.CIT(A), whereby the demand raised earlier for an amount of ₹23.10 lakh has been reversed.

Notes to the consolidated financial statements for the year ended March 31, 2018

33.6 Capital Commitments

(₹ in lakhs)

Particulars	2017-18	2016-17
Estimated amount of contracts remaining to be executed on Capital Account	33,662.54	40,576.94

33.7 *Orissa Steel Expressway Pvt. Ltd. (OSEPL), a subsidiary of the Company, has been awarded the work to promote, develop, finance, establish, design, construct, equip, operate, maintain, modify and upgrade the two/ four laning of Rimuli - Roxy - Rajamunda Section of NH 215 from Km 163.000 to Km 259.453 under NHDP- III in the State of Orissa on Design, Build, Finance, Operate and Transfer (DBFOT) basis and to charge and collect toll fees and to retain and appropriate receivables as per the concession agreement dated July 6, 2010 from the NHAI.

The project as mentioned in note no. 10 (i) was awarded on 29.04.2010 by National Highway Authority of India (NHAI). However the project could not be continued due to the reasons attributable to NHAI namely non providing of encumbrance free land, forest clearance issues etc.

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

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

33.8 Related Party Transactions

(I) Related Parties:

S. No.	Name of the Party & Nature of relationship
A	Investor having significant influence
	Infrastructure Project Development Capital (ceases control & have significant influence w.e.f. 12th November, 2016)
	Infrastructure Project Development Fund (significant influence between 28th October, 2016 to 11th November, 2016)
B	Associates
	Kurukshetra Expressway Pvt. Ltd.
	Ghaziabad Aligarh Expressway Pvt. Ltd.
	Shree Jagannath Expressways Pvt. Ltd.
	Orissa Steel Expressway Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. 12th November, 2016)
	Guruvayoor Infrastructure Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. 28th March, 2018)
	Mahakaleshwar Tollways Pvt. Ltd. (associate w.e.f. 28th October, 2016)
	Potin - Pangin Highway Pvt. Ltd. (cease to be associate w.e.f. 12th November 2016)
C	Key Management Personnel (KMP)
	Brahm Dutt (Chairman, Non-executive and Independent Director)
	Bajrang K Choudhary (Managing Director w.e.f. November 1, 2016)
	Pradeep Singh (Non-executive and Independent Director)
	Atanu Sen (Non-executive and Independent Director)
	Dr. (Ms.) Tuk Tuk Ghosh Kumar (Non-executive and Independent Director)
	Asim Tewari (Chief Technical Officer upto 31st October, 2016 and COO w.e.f. November 1, 2016)
	Anurag Kuba (CEO w.e.f. June 29, 2015 and Upto June 16, 2016)
	Sanjay Banka *
	Naresh Mathur *

* Mr. Sanjay Banka was CFO & Company Secretary of the Company. Upon appointment of Mr. Naresh Mathur as Company Secretary w.e.f. December 17, 2017, Mr. Sanjay Banka ceases to be Company Secretary of the Company. However he continues as CFO of the Company.

Notes to the consolidated financial statements for the year ended March 31, 2018

(II) Summary of Transactions with Related Parties

(₹ in lakhs)

Name of the related party	Nature of Transaction & Outstanding Balances	2017-18	2016-17	2015-16
(A) Investor having significant influence				
Infrastructure Project Development Capital	Transactions :			
	Equity shares subscription received	–	1,100.00	–
	Sale of Investment in securities	–	302.00	–
	Purchase of securities	–	2,403.40	–
(B) Associates:				
Orissa Steel Expressway Pvt. Ltd. (ceases to be associate w.e.f. 12th Nov 2016)	Transactions :			
	Inter Corporate Deposit given	–	837.51	5,620.00
	Inter Corporate Deposit refund received	–	(857.51)	(5,600.00)
	Interest Income on ICD given	–	48.88	196.74
	Income from Consultancy fee (excluding indirect tax)	–	430.11	–
	Balance due			
	Inter Corporate Deposit balance	NA	–	20.00
	Cost of Investment pledged as collateral for loan taken from bank	NA	–	2,706.32
	Interest Accrued but not due	NA	–	1.14
	Trade Receivable	NA	–	104.72
Guruvayoor Infrastructure Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. 28th March, 2018)	Transactions :			
	Reimbursement of expenses (excluding indirect tax)	52.20	–	–
	Interest income	1,479.40	–	–
	Income from Consultancy fee (excluding indirect tax)	299.60	–	–
	Balance due:			
	Cost of Investment pledged as collateral for loan taken from bank	–	5,816.54	7,111.60
	Receivable written off	–	0.37	–
	Trade Receivable	–	–	24.47
Kurukshetra Expressway Pvt. Ltd.	Transactions :			
	Advance against Optionally Convertible Debenture	–	1,361.71	1,384.90
	Optionally Convertible Debenture allotted against application money	–	2,746.61	–
	Demand loan given	2,907.81	1,013.35	–
	Balance due:			
	Advance against Optionally Convertible Debenture balance	–	–	1,384.90
	Demand loan given balance	3,921.16	1,013.35	–
	Investment in Optionally Convertible Debenture	9,314.36	518.42	–
	Cost of Investment pledged as collateral for loan taken from bank	3,788.98	3,735.41	5,119.40
Ghaziabad Aligarh Expressway Pvt. Ltd.	Transactions :			
	Income from Consultancy fee (excluding indirect tax)	200.00	–	–
	Inter Corporate deposit (ICD) given	–	2,785.96	1,064.10
	Unsecured loan given	4,570.50	–	–
	Interest Income on ICD given	–	92.30	23.04
	ICD including interest converted to Warrant	–	3,953.88	–
	Advance given	–	1,446.00	–
	Advance converted to Warrant	–	865.00	–

Notes to the consolidated financial statements for the year ended March 31, 2018

(II) Summary of Transactions with Related Parties

(₹ in lakhs)

Name of the related party	Nature of Transaction & Outstanding Balances	2017-18	2016-17	2015-16
	Balance due:			
	Trade Receivable	216.00	–	–
	Inter Corporate deposit (ICD) balance	–	–	1,064.10
	Interest accrued but not due	–	–	23.04
	Unsecured loan receivable	5,151.50	581.00	–
	Warrants	4,818.88	4,818.88	–
	Cost of Investment pledged as collateral for loan taken from bank	7,866.54	7,755.33	7,185.08
Shree Jagannath Expressways Pvt. Ltd.	Transactions :			
	Income from Consultancy fee (excluding indirect tax)	1,832.16	–	–
	Advance against Warrant/Optionally Convertible Debenture	–	–	5,227.00
	Refund of Advance against Warrant/Optionally Convertible Debenture	–	(5,227.00)	–
	Interest income on the Advance against Warrant/Optionally Convertible Debenture	–	480.73	543.84
Shree Jagannath Expressways Pvt. Ltd. (contd...)	Balance due:			
	Trade Receivable	1,978.74	–	–
	Advance against Warrant/Optionally Convertible Debenture	–	–	5,227.00
	Interest Accrued and due (net of TDS)	424.11	424.11	–
	Interest Accrued but not due (net of TDS)	–	–	489.45
	Cost of Investment pledged as collateral for loan taken from bank	5,720.52	5,639.65	4,712.26
Mahakaleshwar Tollways Pvt. Ltd. (Associate w.e.f. 28th Oct, 2016)	Transactions :			
	Advance given	–	51.21	NA
	Advance refunded	–	(51.21)	NA
	Income from Consultancy fee	–	25.00	NA
	Balance due:			
	Unsecured loan balance	3,263.76	–	NA
	Advance given balance	–	700.63	NA
	Interest Accrued and due	–	245.41	NA
	Cost of Investment pledged as collateral for loan taken from bank	764.92	764.92	NA
Potin - Pangin Highway Pvt. Ltd (cease to be associate w.e.f. November 12, 2016)	Balance due:			
	Unsecured Optionally Convertible debenture	NA	–	275.89
	Cost of Investment pledged as collateral for loan taken from bank	NA	–	0.73
(C) Key Management Personnel :				
	Short-term employee benefits	211.76	213.18	NA
	Post-employment benefits	3.66	–	NA
	Other long-term employee benefits	7.47	–	NA
	Director's Sitting Fees	16.85	11.05	NA

The balance due disclosed above in respect of unsecured optionally convertible debenture/warrants are exclusive of borrowing cost capitalised.

Notes to the consolidated financial statements for the year ended March 31, 2018

33.9 On March 28, 2018, the Company has acquired further 24.99% stake in the equity shares of Guruvayoor Infrastructure Private Limited (GIPL) for a cash consideration of ₹4739.32 Lakhs. Before such acquisition 49% stake in the equity shares of GIPL was already held by the Company. Consequently GIPL became subsidiary of the Company w.e.f March 28, 2018 with 73.99% stake in its equity shares.

Pursuant to Para 42 of Ind As 103 "Business Combination", the Company has remeasured its previously held equity interest in GIPL at its acquisition-date fair value and recognised the resulting gain of ₹6962.09 Lakhs in Profit and Loss Account. Further, the Company has measured the identifiable assets acquired and the liabilities assumed of the GIPL at their acquisition-date fair values and excess of net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed over consideration paid has been recognised as capital reserve.

34. The Company has contributed and expensed ₹5.00 Lakhs (March 31, 2017 : nil) against the total contributable amount of ₹1.23 Lakhs (31 March, 2017: nil) for the year ended March 31, 2018 in accordance with section 135 of Companies Act, 2013 to trust/social organisation. The contributions have been made primarily towards Educational activities.

35. FINANCIAL INSTRUMENT RELATED DISCLOSURES

i) Capital Management

The primary objective of Group capital management is to support its road projects (SPVs) and provide adequate capital to its business for growth and creation of sustainable stakeholder value. The Group capital comprises of share capital and retained earnings attributable to equity shareholders. The Group manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order to maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings, less cash and cash equivalents.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2018 and March 31, 2017.

Pursuant to the Initial Public Offer (IPO) the Holding Company has issued 29,300,000 equity shares of ₹10 each at a premium of ₹195/- per share aggregating to ₹60,065.00 Lakhs in FY 2017-18.

During financial year 2016-17, the Holding Company has issued 18,000,000 equity shares of ₹10 each at par on right basis and 26,650,000 equity shares of ₹10 each at a premium of INR 195/- per share on private placement basis aggregating to ₹56,432.50 Lakhs.

(₹ in lakhs)			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Borrowings	1,04,103.77	55,861.47	87,545.97
Less: Cash and cash equivalent	1,222.11	1,923.42	789.36
Net Debt (A)	1,02,881.66	53,938.05	86,756.61
Total Equity	1,06,328.66	44,076.66	(5,630.23)
Total Equity plus Net Debt (B)	2,09,210.32	98,014.71	81,126.38
Gearing ratio (A/B)	0.49	0.55	1.07

Notes to the consolidated financial statements for the year ended March 31, 2018

ii) Financial instruments- Accounting, Classification and Fair Value Measurement

A. Accounting classification and fair values

(₹ in lakhs)

March 31, 2018	Carrying value				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets Non Current								
Investments	17,949.95	–	–	17,949.95	–	–	17,949.95	17,949.95
Loans	–	–	3.13	3.13	–	–	3.13	3.13
Other Financial Assets	–	–	23,960.48	23,960.48	–	–	23,960.48	23,960.48
Financial Assets Current								
Investments	13,888.32	–	–	13,888.32	13,888.32	–	–	13,888.32
Trade receivables	–	–	10,374.44	10,374.44	–	–	10,374.44	10,374.44
Cash and cash equivalents	–	–	1,222.11	1,222.11	1,222.11	–	–	1,222.11
Bank Balance Other than Cash and Cash Equivalents	–	–	300.65	300.65	300.65	–	–	300.65
Loans	–	–	12,677.61	12,677.61	–	–	12,677.61	12,677.61
Other Financial Assets	–	–	993.86	993.86	–	–	993.86	993.86
Total	31,838.27	–	49,532.28	81,370.55	15,411.08	–	65,959.47	81,370.55
Financial liabilities Non Current								
Borrowings	–	–	95,447.52	95,447.52	–	–	95,447.52	95,447.52
Other financial liabilities	–	–	1,250.38	1,250.38	–	–	1,250.38	1,250.38
Financial liabilities Current								
Borrowings	–	–	5,000.00	5,000.00	–	–	5,000.00	5,000.00
Trade payables	–	–	356.36	356.36	–	–	356.36	356.36
Other financial liabilities	–	–	34,666.90	34,666.90	–	–	34,666.90	34,666.90
Total	–	–	1,36,721.16	1,36,721.16	–	–	1,36,721.16	1,36,721.16

(₹ in lakhs)

March 31, 2017	Carrying value				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets Non Current								
Investments	5,543.49	–	–	5,543.49	–	–	5,543.49	5,543.49
Loans	–	–	2,311.67	2,311.67	–	–	2,311.67	2,311.67
Other Financial Assets	–	–	21,294.55	21,294.55	–	–	21,294.55	21,294.55
Financial Assets Current								
Investments	810.64	–	–	810.64	810.64	–	–	810.64
Trade receivables	–	–	477.00	477.00	–	–	477.00	477.00
Cash and cash equivalents	–	–	1,923.42	1,923.42	1,923.42	–	–	1,923.42
Bank Balance Other than Cash and Cash Equivalents	–	–	–	–	–	–	–	–
Loans	–	–	–	–	–	–	–	–
Other Financial Assets	–	–	2,461.43	2,461.43	–	–	2,461.43	2,461.43
Total	6,354.13	–	28,468.07	34,822.20	2,734.06	–	32,088.14	34,822.20
Financial liabilities Non Current								
Borrowings	–	–	50,519.96	50,519.96	–	–	50,519.96	50,519.96
Other financial liabilities	–	–	17,544.36	17,544.36	–	–	17,544.36	17,544.36
Financial liabilities Current								
Borrowings	–	–	5,300.00	5,300.00	–	–	5,300.00	5,300.00
Trade payables	–	–	0.70	0.70	–	–	0.70	0.70
Other financial liabilities	–	–	2,167.87	2,167.87	–	–	2,167.87	2,167.87
Total	–	–	75,532.89	75,532.89	–	–	75,532.89	75,532.89

Notes to the consolidated financial statements for the year ended March 31, 2018

(₹ in lakhs)

1st April, 2016	Carrying value				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets Non Current								
Investments	547.70	–	–	547.70	–	–	547.70	547.70
Loans	–	–	2.88	2.88	–	–	2.88	2.88
Other Financial Assets	–	–	6,611.90	6,611.90	–	–	6,611.90	6,611.90
Financial Assets Current								
Investments	1,016.53	–	–	1,016.53	1,016.53	–	–	1,016.53
Trade receivables	–	–	230.90	230.90	–	–	230.90	230.90
Cash and cash equivalents	–	–	789.36	789.36	789.36	–	–	789.36
Bank Balance Other than Cash and Cash Equivalents	–	–	–	–	–	–	–	–
Loans	–	–	1,084.11	1,084.11	–	–	1,084.11	1,084.11
Other Financial Assets	–	–	3,371.52	3,371.52	–	–	3,371.52	3,371.52
Total	1,564.23	–	12,090.67	13,654.90	1,805.89	–	11,849.01	13,654.90
Financial liabilities Non Current								
Borrowings	–	–	86,270.97	86,270.97	–	–	86,270.97	86,270.97
Other financial liabilities	–	–	498.28	498.28	–	–	498.28	498.28
Financial liabilities Current								
Borrowings	–	–	1,275.00	1,275.00	–	–	1,275.00	1,275.00
Trade payables	–	–	41.65	41.65	–	–	41.65	41.65
Other financial liabilities	–	–	799.72	799.72	–	–	799.72	799.72
Total	–	–	88,885.62	88,885.62	–	–	88,885.62	88,885.62

B. Measurement of fair values

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

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

C. Valuation techniques

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

- 1) Fair value of the cash and short term deposits, current loans and advances and other current financial liabilities, short term borrowing from banks and other financial institutions and other similar items approximate their carrying value largely due to short term maturities of these instruments.
- 2) Long-term receivables/borrowings are evaluated by the group based on parameters such as interest rates, specific country risk factors, individual credit worthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- 3) The fair value of unquoted instruments, loans from banks/financial institution and other financial liabilities is estimated by discounting future cash flows using rates currently available for debt of similar terms, credit risk and remaining maturities.

iii) Financial Risk Management

The group's principal financial liabilities comprises of borrowings and other payables. The main purpose of these financial liabilities is to finance the group's operations. The group's principal financial assets include investments in equity and debt instruments, loans (advances to related parties), trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk

Notes to the consolidated financial statements for the year ended March 31, 2018

The group's board of directors has the overall responsibility for the establishment and oversight of the group's risk management framework. This note presents information about the risks associated with its financial instruments, the group's objectives, policies and processes for measuring and managing risk, and the group's management of capital.

Credit Risk

The group is exposed to credit risk as a result of the risk of counterparties defaulting on their obligations. The group's exposure to credit risk primarily relates to cash and cash equivalent, investments in equity and debt instruments, loans & other financial assets and accounts receivable.

The group monitors and limits its exposure to credit risk on a continuous basis. Credit Risk on cash and cash equivalents is limited as the group generally invest in deposits with nationalised banks. Investments in debt securities consist of investment in subsidiaries/ associates. Loans are primarily provided to subsidiaries/associates and are in the nature of short-term as the same is repayable on demand.

The group's credit risk associated with accounts receivable is managed through periodically review the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

The group's financial assets which are exposed to credit risk are as follows:

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Investment in Debt Securities	17,949.95	5,543.49	547.70
Trade and other receivables	10,374.44	477.00	230.90
Cash and cash equivalents and other bank balance	1,522.76	1,923.42	789.36
Loans & Other Financials Asset	37,635.08	26,067.65	11,070.41
Total	67,482.23	34,011.56	12,638.37

Impairment losses

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Trade and other receivables (measured under life time excepted credit loss model)			
Opening balance	–	–	–
Provided during the year	–	–	–
Reversal of provision	–	–	–
Unwinding of discount	–	–	–
Closing balance	–	–	–

Trade Receivables Ageing analysis

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Not due	–	–	–
Upto 3 months	1,336.96	477.00	78.38
3-6 months	216.00	–	–
More than 6 months	8,821.48	–	152.52
	10,374.44	477.00	230.90

No significant changes in estimation techniques or assumptions were made during the reporting year.

Liquidity risk

The group is exposed to liquidity risk related to its ability to fund its obligations as and when they become due. The group monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The group has access to credit facilities and monitors cash and bank balances on a regular basis. In relation to the group's liquidity risk, the group's policy is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses.

Notes to the consolidated financial statements for the year ended March 31, 2018

Financing arrangements

The group has access to following undrawn borrowing facilities at the end of the reporting year: (₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Term Loan facilities	56,571.40	47,586.19	54,498.00

Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows: (₹ in lakhs)

As at 31 March 2018	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings	8,656.25	41,030.44	55,274.17	1,04,960.86
Trade payables	356.36	–	–	356.36
Other financial liabilities	34,666.90	–	–	34,666.90
	43,679.51	41,030.44	55,274.17	1,39,984.12

(₹ in lakhs)

As at 31 March 2017	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings	5,341.51	14,011.90	37,484.69	56,838.10
Trade payables	0.70	–	–	0.70
Other financial liabilities	2,167.87	–	–	2,167.87
	7,510.08	14,011.90	37,484.69	59,006.67

Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the group. The group manages its interest rate risk by regular monitoring and taking necessary actions as are necessary to maintain an appropriate balance.

The exposure of the group's borrowings to interest rate changes at the end of the reporting period are as follows:

a) Interest rate risk exposure

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Variable rate borrowings	62,830.26	24,779.47	63,096.97

b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

	Impact on profit	
	March 31, 2018	March 31, 2017
Interest rates - increase by 70 basis points	439.81	173.46
Interest rates - decrease by 70 basis points	439.81	173.46

Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in foreign exchange rate. The Group operates domestically and the business is transacted in local currencies and consequently the Group is not significantly exposed to foreign exchange risk through its sales and services.

Price risk

Price risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in market prices (other than those arises from interest rate risk or currency risk). The Group is not exposed to price risk as it has insignificant financial instruments operates domestically and the business is transacted in local currencies a (eg: investment in mutual fund).

Notes to the consolidated financial statements for the year ended March 31, 2018

36. (i) Reconciliations of Equity as per erstwhile Indian GAAP as previously reported and Ind AS is as follows: (₹ in lakhs)

Particulars	Note	Balance sheet as at 1 April 2016			Balance sheet as at 31 March 2017		
		IGAAP	Adjustments	Ind AS	IGAAP	Adjustments	Ind AS
ASSETS							
Non-Current Assets							
Property, Plant and Equipment		12.84	–	12.84	27.66	–	27.66
Investment Property		–	–	–	–	–	–
Goodwill on Consolidation	36(iii) a	174.79	(174.79)	–	2,721.67	(208.67)	2,513.00
Other Intangible Assets		0.49	–	0.49	1.66	–	1.66
Intangible Asset Under Development	36(iii) b,c,d	30,416.34	(1,034.60)	29,381.74	43,090.92	(1,088.98)	42,001.94
Financial Assets							
(i) Investments	36(iii) a	36,072.69	867.25	36,939.94	57,990.20	(13,947.72)	44,042.48
(ii) Loans		2.88	–	2.88	2,311.67	–	2,311.67
(iii) Other Financial Assets		6,611.90	–	6,611.90	21,294.55	–	21,294.55
Other Non-Current Assets		3,727.12	–	3,727.12	4,511.60	–	4,511.60
Total Non-Current Assets		77,019.05	(342.14)	76,676.91	1,31,949.93	(15,245.37)	1,16,704.56
Current Assets							
Financial Assets							
(i) Investments	36(iii) c	1,015.80	0.73	1,016.53	809.56	1.08	810.64
(ii) Trade receivables		230.90	–	230.90	477.00	–	477.00
(iii) Cash and cash equivalents		789.36	–	789.36	1,923.42	–	1,923.42
(iv) Bank balance other than cash and cash equivalents		–	–	–	–	–	–
(v) Loans		1,084.11	–	1,084.11	–	–	–
(vi) Other Financial Assets		3,371.52	–	3,371.52	2,461.43	–	2,461.43
Current Tax Assets (net)		308.57	–	308.57	323.23	–	323.23
Other Current Assets	36(iii) b	1.41	37.91	39.32	311.03	63.11	374.14
Total Current Assets		6,801.67	38.64	6,840.31	6,305.67	64.19	6,369.86
TOTAL ASSETS		83,820.72	(303.50)	83,517.22	1,38,255.60	(15,181.18)	1,23,074.42
EQUITY AND LIABILITIES:							
Equity							
Equity Share capital		1,000.00	–	1,000.00	5,465.00	–	5,465.00
Other Equity	36(iii)	(7,529.28)	899.05	(6,630.23)	52,559.27	(13,947.61)	38,611.66
Attributable to owners of parent		(6,529.28)	899.05	(5,630.23)	58,024.27	(13,947.61)	44,076.66
Non-controlling interests	36(iii) a	–	4.13	4.13	3,176.23	1.96	3,178.19
Total equity		(6,529.28)	903.18	(5,626.10)	61,200.50	(13,945.65)	47,254.85
Liabilities							
Non - Current Liabilities							
Financial Liabilities							
(i) Borrowings	36(iii) b	87,272.09	(1,001.12)	86,270.97	51,496.58	(976.62)	50,519.96
(ii) Other financial liabilities	36(iii) d	731.35	(233.07)	498.28	17,830.78	(286.42)	17,544.36
Provisions		24.34	–	24.34	88.16	–	88.16
Deferred tax liabilities (net)	36(iii) h	–	27.51	27.51	–	27.51	27.51
		88,027.78	(1,206.68)	86,821.10	69,415.52	(1,235.53)	68,179.99
Current Liabilities							
Financial Liabilities							
Financial liabilities							
i. Borrowings		1,275.00	–	1,275.00	5,300.00	–	5,300.00
ii. Trade Payables		41.65	–	41.65	0.70	–	0.70
iii. Other Financial Liabilities		799.72	–	799.72	2,167.87	–	2,167.87
Other Current Liabilities		204.48	–	204.48	164.81	–	164.81
Provisions		1.37	–	1.37	6.20	–	6.20
Current tax liabilities (net)		–	–	–	–	–	–
		2,322.22	–	2,322.22	7,639.58	–	7,639.58
TOTAL EQUITY AND LIABILITIES		83,820.72	(303.50)	83,517.22	1,38,255.60	(15,181.18)	1,23,074.42

Notes to the consolidated financial statements for the year ended March 31, 2018

(ii) Reconciliation of Total Comprehensive Income as previously reported under IGAAP to Ind AS.

(₹ in lakhs)

Particulars	Note No.	Year ended 31 March 2017		
		IGAAP	Adjustments	Ind AS
I Revenue From Operations	36(iii)h	1,025.11	13,126.45	14,151.56
II Other Income	36(iii)e	194.95	(68.95)	126.00
III Total income (I)+(II)		1,220.06	13,057.50	14,277.56
IV Expenses				
EPC Cost	36(iii)h	–	10,013.88	10,013.88
Employee Benefits Expense	36(iii)g	478.61	209.17	687.78
Finance Costs	36(iii)h	858.83	2,260.51	3,119.34
Depreciation and Amortisation Expense	36(iii)h	1.07	2.20	3.27
Other Expenses	36(iii) f, h	340.40	438.81	779.21
Total expenses		1,678.91	2,910.69	14,603.48
V Profit/(Loss) from operation before Share of Profit / (Loss) of Associates and exceptional items (III-IV)		(458.85)	10,146.81	(325.92)
VI Share of Profit / (Loss) of Associates	36(iii)a	(3,911.16)	(1,935.82)	(5,846.98)
VII Profit/(Loss) from operation before exceptional items and tax (V+VI)		(4,370.01)	8,210.99	(6,172.90)
VIII Exceptional Items		–	–	–
IX Profit Before Tax (VII-VIII)		(4,370.01)	8,210.99	(6,172.90)
X Income tax expense				
- Current Tax		59.34	–	59.34
- Deferred Tax		–	–	–
Total Tax Expense		59.34	–	59.34
XI Profit For The Year (IX-X)		(4,429.35)	8,210.99	(6,232.24)
XII Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss				
- Remeasurement of the defined benefit plans	36(iii)g	–	(31.08)	(31.08)
- Share of loss of associate	36(iii)a		(0.73)	(0.73)
(ii) Income tax relating to items that will not be reclassified to profit or loss		–	–	–
Total Other Comprehensive Income		–	(31.81)	(31.81)
XIII Total Comprehensive Income For The Year (XI + XII)		(4,429.35)	8,179.18	(6,264.05)

Reconciliation of Net Profit to those reported under Indian GAAP (previous GAAP) are summarised as follows:

(₹ in lakhs)

Particulars	Note to First Time Adoption	Year ended March 31, 2017 Consolidated
Net Profit /(Loss) as per Previous GAAP (after tax)		(4,429.34)
Add/(Less) - Effect of transition to Ind AS		
(i) Impact of Fair Value Adjustments	36(iii)e	(68.95)
(ii) Impact due to change in employee benefit expenses	36(iii)g	31.08
(iii) Impact of issue related expenses adjusted against Securities Premium Accounts	36(iii) f	170.79
(iv) Share of loss of associates	36(iii)a	(1,935.82)
Net Profit /(Loss) as reported under Ind AS		(6,232.24)
Other Comprehensive Income (net of tax)		(31.81)
Total Comprehensive Income as reported under Ind AS		(6,264.05)

Notes to the consolidated financial statements for the year ended March 31, 2018

Reconciliation of Equity to those reported under Indian GAAP (previous GAAP) are summarised as follows: (₹ in lakhs)

Particulars	Note to First Time Adoption	Year ended March 31, 2017	April 1, 2016
Equity as per Previous GAAP		61,200.51	(6,529.28)
Adjustments:			
(i) Impact of Fair Value Adjustments	36 (iii) e	(68.95)	–
(ii) Borrowings- Transaction cost adjustment	36 (iii) b	238.25	238.25
(iii) Intangible assets pertain to subsidiary subsumed in goodwill	36 (iii) b,c,d	(206.60)	(174.81)
(iv) Share of Loss of associates accounted for	36 (iii) a	(1,936.55)	–
(v) Fair Valuation of Intangible Asset	36 (iii) h	867.25	867.25
(vi) Adjustment for equity accounting of associates	36 (iii) a	(12,811.55)	–
(vii) Deferred tax impact	36 (iii) a	(27.51)	(27.51)
Equity as per Ind AS		47,254.85	(5,626.10)

(iii) Explanation of transition to Ind AS

- Share of profit/(loss) of associates, non-controlling interest goodwill on consolidation and capital reserve has been adjusted consequent to the Ind AS transition and comparative previous period adjustments, wherever applicable.
- Under the previous GAAP, transaction costs incurred in connection with borrowings were accounted upfront and recognized to intangible asset under development for the period in which such transaction costs was incurred. Under Ind AS transaction costs incurred towards origination of borrowings has been deducted from the carrying amount of borrowings on initial recognition. These costs are recognized to intangible assets under development over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.
- Under Previous GAAP, short term investments were carried at cost or market value whichever is lower. Under Ind AS, investments in mutual fund are recognised and measured at fair value. Impact of fair value changes as on the date of transition and for changes thereafter has been recognised in intangible asset under development.
- Under previous GAAP, financial liabilities i.e., retention money which is non-current in nature, were initially recognized at transaction price. Under Ind AS, such financial instruments are initially recognized at fair value and subsequently carried at amortised cost determined using the effective interest rate. Any difference between transaction price and fair value affects intangible asset under development unless it quantifies for recognition as some other type of asset.
- Under previous GAAP, non-current investments in Optionally Convertible Debenture and Warrant were stated at cost. Under Ind AS, such investments have been measured at fair value through Profit or Loss (FVTPL), resulting in fair valuation loss arising of ₹ Nil on April 1, 2016 and ₹68.95 lakhs as on March 31, 2017 and corresponding decrease in respective non-current investment.
- Under previous GAAP, expenses incurred by the Company aggregating to ₹170.79 lakhs in connection of issue of share have been charged to statement of profit and loss for the year ended March 31, 2017. Under Ind AS, such expenses has been adjusted against Securities Premium Account.
- Under previous GAAP, actuarial gains and losses related to the defined benefit schemes for gratuity and liabilities towards employee leave encashment were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in OCI. Consequently, the tax effect of the same has also been recognised in OCI instead of profit or loss.
- The group has recognised financial assets and intangible assets as per Appendix A to Ind AS 11 on Service Concession Arrangements, based on the retrospective application.

Notes to the consolidated financial statements for the year ended March 31, 2018

37.1 In accordance with Indian Accounting Standard 110 "Consolidated Financial Statements", the Consolidated Financial Statements of the Group include the financial statements of the Holding Company and its subsidiaries. Enterprises over which the Company exercises significant influence are considered for preparation of the Consolidated Financial Statements as per Indian Accounting Standard 28 "Accounting for Investments in Associates in Consolidated Financial Statements".

The subsidiaries and associates considered in the preparation of these consolidated financial statements are:-

Name of the Party & Nature of relationship	Country of Origin	% Holding	% Holding	% Holding
		As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Subsidiaries				
Solapur Tollways Pvt. Ltd.	India	99.02%	99.02%	98.04%
Orissa Steel Expressway Pvt. Ltd. (Became subsidiary w.e.f. 12th November, 2016)	India	59.38%	59.38%	–
Guruvayoor Infrastructure Pvt. Ltd. (Became subsidiary w.e.f. 28th March, 2018)		73.99%	–	–
Associates				
Orissa Steel Expressway Pvt. Ltd. (cease to be associate w.e.f. 12th November, 2016)	India	–	–	44.60%
Kurukshetra Expressway Pvt. Ltd.	India	49.00%	49.00%	29.33%
Ghaziabad Aligarh Expressway Pvt. Ltd.	India	39.00%	39.00%	39.00%
Shree Jagannath Expressways Pvt. Ltd.	India	40.00%	40.00%	26.00%
Potin - Pangin Highway Pvt. Ltd.	India	–	–	40.00%
Mahakaleshwar Tollways Pvt. Ltd. (w.e.f. 28th October, 2016)	India	48.00%	48.00%	–
Guruvayoor Infrastructure Pvt. Ltd. (cease to be associate w.e.f. 28th March, 2018)	India	–	49.00%	26.80%

37.2 Additional Information as per Schedule III of the Companies Act, 2013

As at 31st March, 2018

Name of the entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakh)	As % of consolidated profit or loss	Amount (₹ in lakh)	As % of consolidated other comprehensive income	Amount (₹ in lakh)	As % of consolidated total comprehensive income	Amount (₹ in lakh)
Parent								
1 Bharat Road Network Limited	28.54%	33,545.09	376.26%	8,648.10	156.10%	(7.29)	376.71%	8,640.81
Subsidiaries								
Indian:								
1. Solapur Tollways Pvt. Ltd.	23.79%	27,957.23	(0.20%)	(4.71)	(34.69%)	1.62	(0.13%)	(3.09)
2. Orissa Steel Expressway Pvt. Ltd.	5.59%	6,570.58	(0.07%)	(1.71)	–	–	(0.07%)	(1.71)
3. Guruvayoor Infrastructure Pvt Ltd	11.86%	13,936.06	(2.58%)	(59.26)	0.21%	(0.01)	(2.58%)	(59.27)
Minority Interests in subsidiaries	9.53%	11,194.93	(0.70%)	(16.16)	–	–	(0.70%)	(16.16)
Associates (investment as per equity method)								
Indian:								
1. Kurukshetra Expressway Pvt. Ltd.	–	2,062.56	(97.67%)	(2,244.90)	(11.98%)	0.56	(97.85%)	(2,244.34)
2. Ghaziabad Aligarh Expressway Pvt. Ltd.	0.09	10,783.56	(29.03%)	(667.34)	(46.50%)	2.17	(29.00%)	(665.17)
3. Shree Jagannath Expressways Pvt. Ltd.	0.09	10,604.87	(19.56%)	(449.54)	–	–	(19.60%)	(449.54)
4. Guruvayoor Infrastructure Pvt Ltd	–	–	(114.03%)	(2,621.00)	0.39	(1.80)	–	(2,622.80)
5. Mahakaleshwar Tollways Pvt. Ltd.	0.01	868.71	(12.40%)	(285.05)	(1.69%)	0.08	(12.42%)	(284.97)
TOTAL	100.00%	1,17,523.59	100.00%	2,298.43	100.00%	(4.67)	100.00%	2,293.76

Note: Figures are after elimination of related party transactions between entities considered for consolidation.

Notes to the consolidated financial statements for the year ended March 31, 2018

37.3 Earnings / Expenses in Foreign Currency - ₹ Nil (Previous Year - ₹ Nil).

37.4 As per the Concession Agreement for the project executed with MPRDC by Mahakaleshwar Tollways Pvt. Limited, one of the associate company, the available balance in the Escrow Account needs to be withdrawn every month as per the order specified in the Escrow Agreement dated 23rd February 2010. During the year, the revenue of the associate company was insufficient for payment of premium to MPRDC as per the said specified order of withdrawal under Escrow Agreement. The Concession Agreement does not provide for accrual of Premium if the project revenue is insufficient for its payment. Hence no provision has been made in the books of account toward Premium amounting to ₹866.30 lakhs for the year 2017-18.

37.5 The financial statements were approved for issue by the Board of Directors and authorise for issue on May 29, 2018.

37.6 The figures of previous year have been regrouped / reclassified wherever necessary to conform to current year classification.

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No. 000756N

For and on behalf of the Board of Directors

Neeraj Bansal
Partner
Membership No.095960

Bajrang K Choudhary
Managing Director
DIN: 00441872

Brahm Dutt
Chairman
DIN: 05308908

Place : New Delhi
Date : 29th May, 2018

Naresh Mathur
Company Secretary

Sanjay Banka
Chief Financial Officer
Place : Kolkata

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(₹ in lakhs)

Name of Company	Solapur Tollways Pvt. Ltd.	Orissa Steel Expressway Pvt. Ltd.	Guruvayoor Infrastructure Pvt. Ltd.
The date since when subsidiary was acquired	3rd August, 2013	12th November, 2016	28th March, 2018
Reporting Year	31st March, 2018	31st March, 2018	31st March, 2018
Reporting Currency	INR	INR	INR
Share Capital	50.00	7,836.66	16,894.00
Reserves & Surplus	17,674.51	(18.86)	(14,475.88)
Total Assets	61,902.56	24,443.74	82,433.37
Total Liabilities	61,902.56	24,443.74	82,433.37
Investments	–	–	–
Turnover	12,739.90	–	14,436.62
Profit/(Loss) before Tax	(7.12)	(1.71)	(5,408.25)
Provision for Taxation	(2.42)	–	–
Profit/(Loss) after Tax	(4.69)	(1.71)	(5,408.25)
Proposed Dividend	–	–	–
% of shareholding (effective)	99.02%	59.38%	73.99%

Notes:

- Names of subsidiaries which are yet to commence operations:
 - Solapur Tollways Pvt. Ltd.
 - Orissa Steel Expressway Pvt. Ltd. (Refer Note No. 33.7)
- Guruvayoor Infrastructure Private Limited, which was Associate of the Company has become subsidiary w.e.f. 28.03.2018
- Names of subsidiaries which have been liquidated or sold during the year: None

Part "B": Associates and Joint Ventures

(₹ in lakhs)

Name of Associate	Ghaziabad Aligarh Expressway Private Limited	Kurukshetra Expressway Private Limited	Shree Jagannath Expressways Private Limited	Mahakaleshwar Tollways Private Limited
Relationship	Associate	Associate	Associate	Associate
1 Latest audited Balance Sheet date	Mar 31, 2018	Mar 31, 2018	Mar 31, 2018	Mar 31, 2018
2 Date on which the Associate was associated	Sep 11, 2012	Mar 28, 2013	Mar 28, 2013	Oct 28, 2016
3 Share of Associate held by the company on the year end				
No.	7,56,60,000	5,10,86,910	5,91,48,000	4,99,95,000
Amount of Investment in Associates	15,424.58	11,445.94	11,216.70	1,499.85
Extent of Holding %	39.00%	49.00%	40.00%	48.00%
4 Description of how there is significant influence	Control of 39% of Total Share Capital	Control of 49.00% of Total Share Capital	Control of 40.00% of Total Share Capital	Control of 48.00% of Total Share Capital
5 Reason why the associate is not consolidated	N.A.	N.A.	N.A.	N.A.
6 Networth attributable to Shareholding as per latest audited Balance Sheet	2,924.87	(3,566.93)	5,292.35	(2,090.84)
7 Profit / (Loss) for the year				
i. Considered in Consolidation	(665.17)	(2,244.34)	(449.54)	(284.97)
ii. Not Considered in Consolidation	N.A.	N.A.	N.A.	N.A.

- Names of associates or joint ventures which are yet to commence operations: None
- Names of associates or joint ventures which have been liquidated or sold during the year: None

For and on behalf of the Board of Directors

Bajrang K Choudhary
Managing Director
DIN: 00441872

Brahm Dutt
Chairman
DIN: 05308908

Naresh Mathur
Company Secretary

Sanjay Banka
Chief Financial Officer

Place : Kolkata
Date : 29th May, 2018

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info@trisyscom.com

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Bharat Road Network Limited

Registered Office

5B, North East Block, Vishwakarma Building

86 C Topsia Road (South), Kolkata 700046

P: +91 33 6602 3609 **F:** +91 33 6602 3243

E: corporate@brnl.in **W:** www.brnl.in