

Strong.  
Solid.  
Steady.



ANNUAL REPORT 2014 - 15



**We deeply thank all our retail and institutional investors for their participation in the IPO. We assure our shareholders of our commitment and dedication towards strong corporate governance and value creation.**

## **CONTENTS**

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About the Company & Messages	01 - 27
Management Discussion & Analysis	28 - 39
Directors' Report	40 - 59
Corporate Governance Report	60 - 69
Standalone Financial Statements	70 - 109
Consolidated Financial Statements	110 - 153

## **Solid Foundations. Multiplying Possibilities.**

Our expertise of more than a decade and rich portfolio of projects are the backbone of our future. Successful project execution and proven prowess has earned us a prominent position in the road infrastructure sector. For over a decade, we have been significantly contributing to India's infrastructure growth story, emerging as a leading industry player in the Operate Maintain & Transfer (OMT) and Toll Collection Segment.

During the year, we consolidated our strengths and integrated our presence across the value chain. This allows us to significantly amplify our ability to create value.

Today, we are proving our mettle in multiple projects by leveraging our domain expertise, scale and inherent strengths. We are moving forward with a renewed sense of vigour, aided by optimism. As we understand challenging environments, we are aligning ourselves accordingly to consolidate and deliver. We are persevering with hard work and conviction that our long-term strategies will have a positive impact on all those associated with us.

# AT A GLANCE



**W**e began our journey in 2002. Little more than a decade later, we have emerged as the leading player in the OMT and Toll Collection space in India. Today, with a proven track record and a healthy balance sheet, we are favourably placed to benefit from India's continuing infrastructure growth story. As

more opportunities unfold, we intend to win more long term projects, adding to our rich portfolio of projects. We continue to focus on pure toll collection as well as OMT projects, which involve maintenance obligations in addition to toll collection on operational roads (including highways) constructed by third

parties. Our commitment to service quality and delivery is reflected in our growing client base and our strong execution capabilities. Our growing pan-India presence and stable revenue stream position us well to create shareholder value from a differentiated business model within India's road infrastructure sector.

**12+** Years

Total Experience in  
Toll Collection

**47**

Toll Plazas for  
Ongoing Toll Collection,  
OMT & BOT Projects

**66%** YoY

Growth in Revenue in FY2015

**12** States

Footprints in India

**9** States

with Current Operational  
Projects

**58%** Share of

Long Term Projects in Total  
Revenue (FY2015)

**80** Projects

Executed Till  
31st March 2015

**21** Projects

Operational as of  
31<sup>st</sup> March 2015

**4,500+**

Total Workforce

In Tolling Operations,  
O&M and others

**139**

Toll Plazas

Operated till  
31st March 2015

**336**

Toll Lanes

Operated for  
ongoing projects

**2,570+**

Lane Kms

Length Covered under OMT  
and BOT Projects

# OUR KEY CLIENTS

IT  
Expressway  
Limited

Rajasthan  
State Road Development  
& Construction  
Corporation Ltd.  
(RSRDC)

Maharashtra  
State Road Development  
Corporation Limited  
(MSRDC)

National Highways  
Authority of India  
(NHAI)

Road Infrastructure  
Development Company  
of Rajasthan Limited  
(RIDCOR)

Mumbai  
JNPT Port Road  
Company Limited  
(MJPRCL)

Paradip Port Road  
Company  
Limited

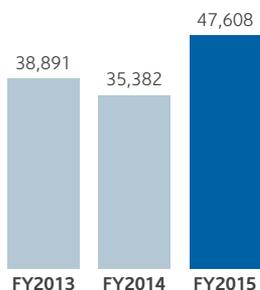
# OUR CURRENT PROJECTS PORTFOLIO

TOLL COLLECTION PROJECTS	OMT PROJECTS	BOT PROJECT
<p><b>15</b> Toll Collection Projects</p>	<p><b>05</b> Projects</p>	<p><b>01</b> Projects</p>
<p><b>885.12</b> Lanes Kms</p>	<p><b>2,530</b> Lanes Kms</p>	<p><b>42</b> Lanes Kms</p>
<p><b>27</b> Toll Plazas</p>	<p><b>15</b> Toll Plazas</p>	<p><b>05</b> Toll Plazas</p>

# FINANCIAL HIGHLIGHTS

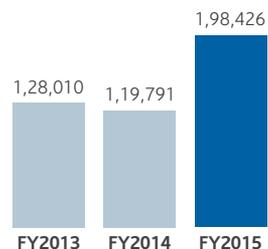
## EBITDA

(In ₹ Lakhs)



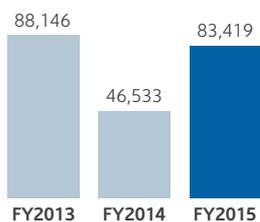
## Income from Operations

(In ₹ Lakhs)



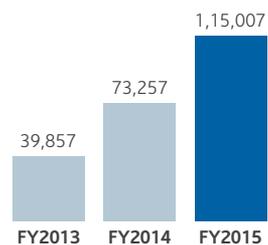
## Income from Short Term Projects

(In ₹ Lakhs)



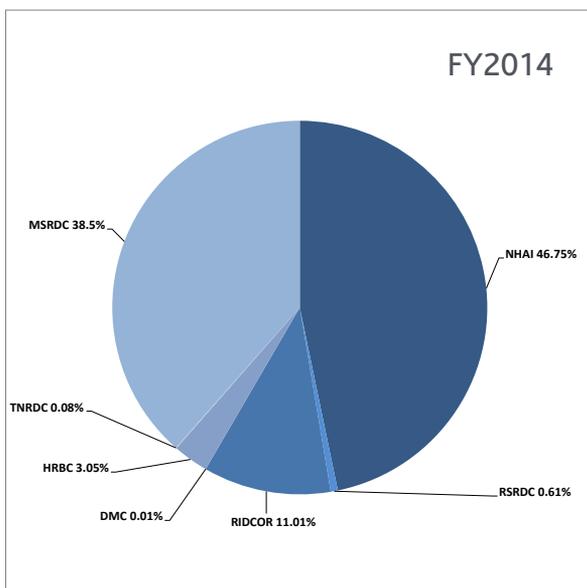
## Income from Long Term Projects

(In ₹ Lakhs)

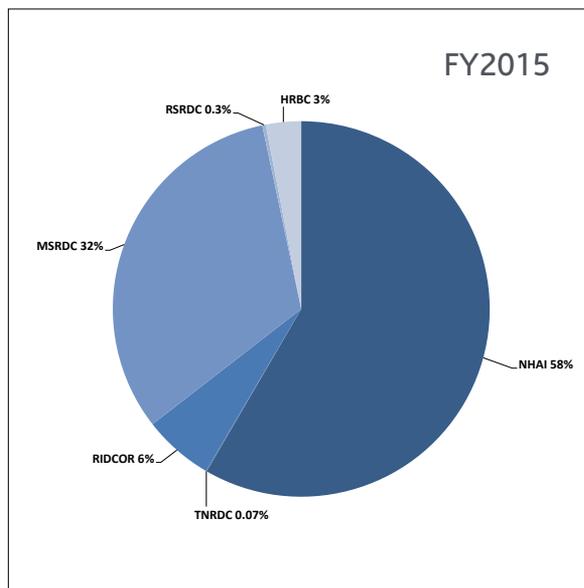


## Share of Revenue Mix from Clients

FY2014



FY2015



# OPERATIONAL HIGHLIGHTS

Awarded  
**Kini Tasawade project** by MSRDC  
and  
**Surajbari project** by NHAI

A **consortium** formed by  
the Company was awarded  
**2 projects by IHMCL** for  
toll management services

**21** Projects  
Operational  
as of March 31, 2015

**05** Long term OMT projects  
(covering 2,530 lane kms  
and 15 toll plazas)

**15** Long term and short term  
toll collection projects  
(27 toll plazas) in 9 states

**01** Long term BOT project  
(covering 42 lane kms and  
5 toll plazas)

# VICE CHAIRMAN AND MANAGING DIRECTOR'S MESSAGE

We mean to create a winning business model that produces strong revenue visibility and results in attractive value creation.

Jayant D. Mhaiskar



## Dear Friends,

The year 2014-2015 was an exciting year of growth and development. The highlight of the year was our popular IPO in April 2015.

We successfully offered and sold 5.14 crore equity shares, raising ₹ 324 Crores. We infused the net proceeds of the issue to use by repaying our consolidated debts and reducing the cost of finance. As a consequence we deleveraged our balance sheet and improved our profitability. We deeply thank all our retail and institutional investors for their participation in the IPO and assure our investors of our commitment and dedication towards strong corporate governance and value creation.

On the business performance front, we continued to steadily expand our footprint across India in the road infrastructure sector. Despite a sluggish economic and business environment in FY2015, I am

pleased to inform you that we recorded a healthy operating performance. Our consolidated revenue grew by a solid 65% to reach ₹ 20,412.96 million in FY2014-15, significantly higher than ₹ 12,401.34 million in the previous fiscal year. This was the result of a higher revenues from our long-term projects, three of which commenced operations in FY2014 and one in FY2015. Notably, we implemented an 18% pre-determined toll rate increment as per fee notification for our MIPL project, the effect of which will be fully felt in FY2016. We also witnessed strong growth in the revenues from our short-term projects. On the PAT front, a higher depreciation provision for amortising the upfront payment on the Mumbai Entry Point Project contributed to a net loss of ₹ 775 million at the consolidated level. This includes the loss of ₹ 443 million in the Chennai Bypass Project on account of certain force majeure events and claims pending with the authority.

Despite these provisions, we made a cash profit of ₹ 452 million during FY2015.

Going forward, we

hope to improve our future free cash flows and bottom line numbers substantially in FY2016.

## Executing Excellence

In 2002, we began our business as a pure toll collection company. Over the years, we gradually participated in the Operate-Maintain-Transfer (OMT) format. Today, we have attained market leadership across both these models and have a strong pan-India footprint. We have demonstrated our excellence over the past 12+ years in executing and completing nearly 80 projects, including an aggregate of 139 toll plazas and 891 toll lanes across 12 states of India. The geographic diversity of our project portfolio and a capable management team grant us the expertise to effectively bid for and win multiple projects.

Our key market differentiator is the low-risk nature of our business model, which allows for lower project cost and quicker pay-offs, enabling us to bid for more projects. We have a diversified mix and adequate balance of short-term and long-term projects, extending the longevity of our business. Our short term projects tend to have moderate margins, but exhibit a good return profile. They also provide us good visibility for the future pipeline of long-term OMT projects. Going forward, we are focussed on increasing the revenue contribution from long-term projects. Today, about 58% of our revenue is contributed by long-term toll collection projects, giving us a steady and predictable revenue stream.

Another competitive strength is our distinct ability to manage key operations in-house. Tendering of the project, conducting traffic surveys, forecasting our revenue, achieving financial closure and toll collection are to name a few. This reduces our reliance on sub-contractors and third parties and lowers our operating costs. We introduced Electronic Toll Collection System based on RFID technology at Rajiv Gandhi Sea Link in August 2012 and are extending the same at Vidyasagar Setu (Kolkata) and Mumbai entry Points Projects. 24x7 Surveillance on toll collection using modern techniques, centralized control rooms, cameras that enable video based monitoring of toll operations leads to improved operational efficiency and transparency.

## Primed for an Evolving Industry

In early 2010, the new tolling policy introduced by the National Highway Authority of India (NHAI) was indeed a boon for the Road Infrastructure sector in India. The introduction of private players in managing toll collection has widened the opportunity and enabled us leverage our core strengths. During the first phase of pure tolling projects, we secured 15 of ~100+ projects invited for bidding by the NHAI. Subsequently, we also managed to win and operate the largest number of OMT projects on behalf of NHAI. Going forward, NHAI plans to convert some 3,400 km of roads from the Build-Own-Transfer (BOT) model into EPC projects, which we aim to capitalise on.

Additionally, the Government is also designing new structures of Toll-Operate-Transfer (TOT) and Hybrid Annuity Model (HAM). These models create low-risk opportunities for private sector investments and provide for efficient operations. The inclusion of private sector in such projects is seen improving operational efficiencies and reducing the pilferage of toll revenue. Our confidence stems from the fact that aggressive participation from the Central and State Government to develop road infrastructure will translate into significant growth opportunities for our business. Going ahead, we expect to benefit mainly from the Government's focus on developing road infrastructure, thereby strengthening our leadership position in the industry.

## Outlook

The changing political landscape has paved the way for creating "across the board" reforms and infrastructure amenities like never before. We intend to capitalise on these opportunities through new formats of toll collection and road maintenance, while expanding our presence in India. Today, we're already working off a solid foundation, which we mean to leverage to create a winning business model that produces strong revenue visibility and results in attractive value creation.

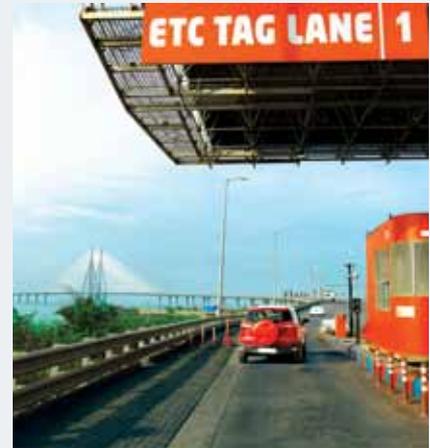
I take this opportunity to thank our highly competent employees for delivering operational excellence even during difficult market conditions. Our Board thanks all the shareholders for their unflinching co-operation, continued support and strong faith in us. I am confident that our collective team effort will enable our Company stay competitive in the industry and deliver consistent value to our stakeholders.

Regards,

**Jayant D. Mhaikar**  
Vice Chairman and Managing Director

# OUR PROJECT PORTFOLIO

## OMT PROJECTS



### MUMBAI ENTRY POINTS PROJECT, Maharashtra

#### Scope of the Project

The Project covers toll collection at 5 Mumbai Entry Points and maintenance of 27 flyovers and allied structures. Five entry points located on

- Sion–Panvel Highway,
- Western Express Highway
- Eastern Express Highway,
- LBS Marg and
- Airoli Bridge corridor in Mumbai

#### Authority

MSRDC

#### Amount Paid to Authority :

₹ 2,10,000 Lakhs Upfront Payment

#### No. of Toll Plazas

Five

#### Project Highlights

132.98+ lane kms under maintenance

#### Work Tenure

16 years (From November 20, 2010 to November 19, 2026)

#### SPV

MEP Infrastructure Private Limited

### RAJIV GANDHI SEA LINK PROJECT, Maharashtra

#### Scope of the Project

Maintenance and toll collection at Rajiv Gandhi Sea Link which is 5 km long, eight-laned carriageway in Mumbai in Maharashtra with toll collection plaza at Bandra

#### Authority

MSRDC

#### No. of Toll Plazas

One

#### Work Tenure

February 6, 2014 to February 2, 2017

#### SPV

MEP RGSL Toll Bridge Private Limited



## MADURAI KANYAKUMARI PROJECT, Tamil Nadu

### Scope of the Project

Maintenance of 243.17 km long four lane carriageway in the Madurai–Kanyakumari section of the National Highway No.7 with toll collection at Kappallur, Eturvattam, Salaipudur and Nanguneri

### Authority

NHAI

### No. of Toll Plazas

Four

### Work Tenure

September 22, 2013 to  
September 22, 2022

### SPV

Raima Toll Road Private Limited



## HYDERABAD BANGALORE PROJECT, Andhra Pradesh

### Scope of the Project

Maintenance of 251.16 km long, four-lane carriageway in the Hyderabad–Bangalore section of the National Highway No. 7 with toll collection plazas at Amakathadu, Marur and Kasepalli

### Authority

NHAI

### No. of Toll Plazas

Three

### Work Tenure

May 16, 2013 to May 15, 2022

### SPV

MEP Hyderabad Bangalore Toll Road Private Limited



## CHENNAI BYPASS PROJECT, Tamil Nadu

### Scope of the Project

Maintenance of 32.60 km long, six-lane carriageway in the Chennai Bypass section in Tamil Nadu with toll collection plazas at Vanagaram and Surapattu

### Authority

NHAI

### No. of Toll Plazas

Two

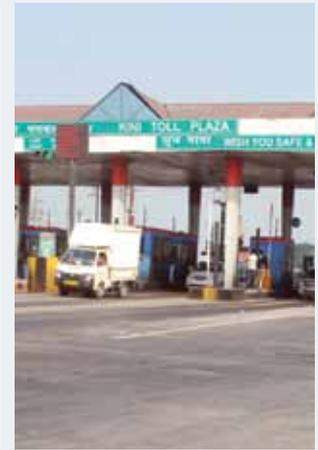
### Work Tenure

May 14, 2013 to May 14, 2022

### SPV

MEP Chennai Bypass Toll Road Private Limited

# LONG-TERM TOLL COLLECTION PROJECTS



## PHALODI-RAMJI PROJECT, Rajasthan

### Scope of the Project

Toll collection at four toll plazas in the Phalodi–Pachpadra–Ramji Ki Gol road corridor located at KoluPabuji village, KelanKot village, BhookaBhagat Singh village and Naya Nagar village

### Authority

RIDCOR

### No. of Toll Plazas

Four

### Work Tenure

September 17, 2010 to September 16, 2015

### SPV

Raima Ventures Private Limited

## IRDP SOLAPUR PROJECT, Maharashtra

### Scope of the Project

Toll collection at four toll plazas at Solapur IRDP–Hotgi Road, Solapur–Barshi Road, Solapur–Degaon Mangalweda Road and Solapur–Akkalkot Road

### Authority

MSRDC

### No. of Toll Plazas

Four

### Work Tenure

January 2, 2013 to December 30, 2015

### SPV

MEP IRDP Solapur Toll Road Private Limited

## VIDYASAGAR SETU PROJECT, West Bengal

### Scope of the Project

Toll collection at Vidyasagar Setu in Kolkata, West Bengal connecting two cities Kolkata and Howrah

### Authority

HRBC

### No. of Toll Plazas

One

### Work Tenure

September 1, 2013 to August 31, 2018

### SPV

Rideema Toll Bridge Private Limited

## KINI TASAWADE PROJECT, Maharashtra

### Scope of the Project

Toll collection at two toll plazas near Kini at Km. 634.5 and Tasawade at Km. 694 on National Highway No. 4

### Authority

MSRDC

### No. of Toll Plazas

Two

### Work Tenure

May 29, 2014 to May 26, 2016

### SPV

Raima Toll & Infrastructure Private Limited

# BOT PROJECT



## RAJIV GANDHI SALAI PROJECT, Tamil Nadu

### Scope of the Project

Toll Collection at five toll plazas located at Rajiv Gandhi Salai Road in Chennai, India

### Authority

ITEL

### No. of Toll Plazas

Five

### Work Tenure

March 8, 2014 to March 7, 2017



## KALYAN SHILPHATA PROJECT, Maharashtra

### Scope of the Project

Toll collection at two toll plazas at Katai and Gove on the Bhiwandi-Kalyan-Shilphata section of State Highway No.40

### Authority

MSRDC

### No. of Toll Plazas

Two

### Work Tenure

September 27, 2013 to September 23, 2016



## BARAMATI PROJECT, Maharashtra

### Scope of the Project

Maintenance of the four lane Sakhali bridge on Karha River and Ring Road in Baramati with toll collection plazas at Morgaon, Neergaon, Patas, Bhigawan and Indapur

### Authority

MSRDC

### No. of Toll Plazas

Five

### Work Tenure

October 25, 2010 to February 24, 2030

### SPV

Baramati Tollways Private Limited

## SHORT-TERM TOLL COLLECTION PROJECTS

### USAKA / CHAMARI (USAKA ) TOLL PLAZA, Uttar Pradesh

#### Scope of the Project

Toll collection at Usaka /Chamari (Usaka) section (from km 220.000 to km 260.713) on the National Highway No. 25 and the Bara – Orai section (from km 421.000 to km 449.000) on National Highway No. 25 & 2

#### Concession

Awarded by NHAI for a period of one year

#### Work tenure

January 28, 2014 to January 27, 2015 \*  
\*Extended for a period of 6 month or till mobilization of fresh agency, whichever is earlier

### PADUNA TOLL PLAZA, Rajasthan

#### Scope of the Project

Toll collection at Paduna toll plaza for the Udaipur – Kherwada section (from km 278.000 to km 348.000) of National Highway No. 8

#### Concession

Awarded by NHAI for a period of one year

#### Work tenure

April 05, 2014 to April 04, 2015

### DASNA TOLL PLAZA, Uttar Pradesh

#### Scope of the Project

Toll collection at the Dasna toll plaza for the Ghaziabad – Hapur section (from km 27.640 to km 48.6384) and the Hapur bypass section (from km 48.63864 to km 60.000) of the National Highway No. 24

#### Concession

Awarded by NHAI for a period of one year

#### Work tenure

May 1, 2014 to April 30, 2015

### GAURAU TOLL PLAZA, Uttar Pradesh

#### Scope of the Project

Toll collection at Gaurau toll plaza for the Shikonabad – Etawah & Etawah Bypass section (from km. 250.500 to km 321.100) of National Highway No. 2

#### Concession

Awarded by NHAI for a period of one year

#### Work tenure

July 22, 2015 to July 22, 2016

### SURAJBARI, Gujarat

#### Scope of the Project

Toll collection at SURAJBHARI toll plaza for the GARAMORE –SAMKHIYALI section (from km. 254.537 to km 307.034) of National Highway No. 8

#### Concession

Awarded by NHAI for a period of one year

#### Work tenure

September 21, 2014 to September 20, 2015

## **BANKAPUR TOLL PLAZA, Karnataka**

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### **Scope of the Project**

Toll collection at Bankapur toll plaza for the Gabur – Devgiri section (from km 404.000 to km 340.000) of the National Highway No. 4

### **Concession**

Awarded by NHAI for a period of one year

### **Work tenure**

January 3, 2015 to January 2, 2016

## **MANOHRABAD, Telangana**

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### **Scope of the Project**

Toll collection at MANOHARABAD toll plaza for the ADLOOR YELLAREADY – GUNDLA POCHANPALLY section (from km 368.255 to km 471.331) of the National Highway No. 7

### **Concession**

Awarded by NHAI for a period of one year

### **Work tenure**

February 17, 2015 to February 16, 2016

## **ATHUR TOLL PLAZA, Tamil Nadu**

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### **Scope of the Project**

Toll collection at Athur toll plaza for the Tambaram – Tindivanam section (from km 74.500 to km 121.000) of National Highway No. 45

### **Concession**

Awarded by NHAI for a period of one year

### **Work tenure**

March 26, 2015 to March 25, 2016

## **PALSIT TOLL PLAZA, West Bengal**

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### **Scope of the Project**

Toll collection at Palsit toll plaza for the Budbud – Palsit section (from km 525.853 to km 587.853) of National Highway No. 2

### **Concession**

Awarded by NHAI for a period of one year

### **Work tenure**

March 26, 2015 to March 25, 2016

# OUR JOURNEY OVER THE YEARS

## 2002

Started collection of toll at the five Mumbai Entry Points from December 2002



## 2009

Started collection of toll at the Rajiv Gandhi Sea Link Toll Plaza from July 2009 until February 2014



## 2010

- Awarded the Phalodi Ramji toll collection contract in Rajasthan by RIDCOR for a period of 5 years
- Started toll collection pursuant to contracts with NHAI across multiple states in India
- Awarded the Mumbai Entry Points Projects on OMT basis for 16 years with an upfront payment of ₹ 2,10,000 Lakhs



## 2011

Acquired BTPL BOT project in Maharashtra for ₹ 101 Lakhs





## 2012

- Crossed ₹ 1,00,000 Lakhs of revenue in a single financial year (FY2012) for the first time
- Awarded Hyderabad-Bangalore OMT contract for 9 years and toll collection project at Paduna Toll Plaza in Rajasthan by NHAI
- Launched Electronic Toll Collection at the Rajiv Gandhi Sea Link
- First project by NHAI in Rajasthan for toll collection at the Paduna Toll Plaza

## 2013

- Awarded a 9 year OMT contract by NHAI for Chennai Bypass and Madurai-Kanyakumari projects in Tamil Nadu
- Awarded the IRDP Solapur and Kalyan Shilphata projects by Maharashtra State Road Development Corporation Limited (MSRDC), Mahua Hindaun Karauli project by RSRDC and Vidyasagar Setu project by HRBC

## 2014

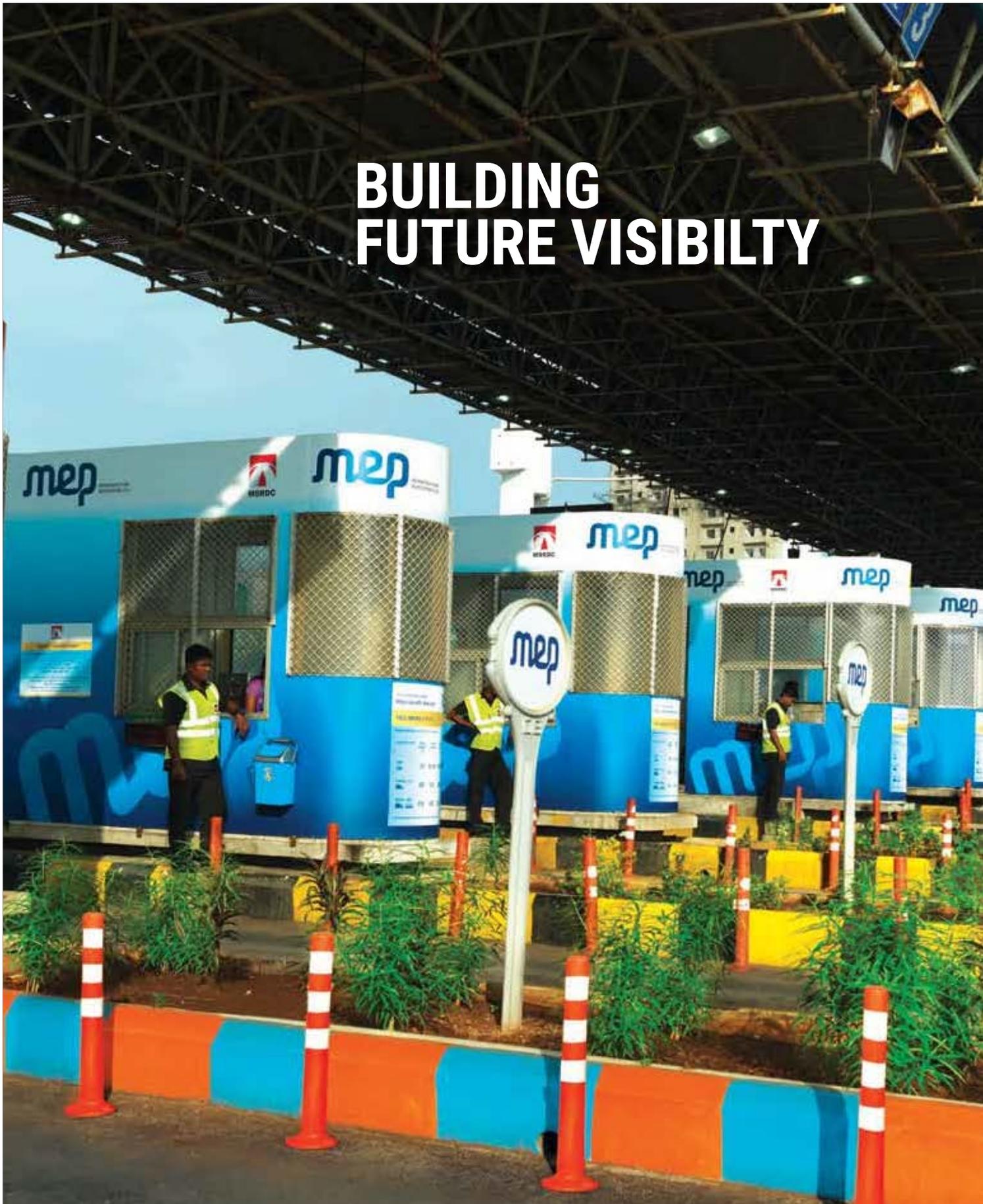
- Awarded a 3-year OMT contract by MSRDC for Rajiv Gandhi Sea Link in Mumbai
- Awarded the Rajiv Gandhi Salai project by ITEL, Kini Tasawade project by MSRDC and Surajbari Project by NHAI

## 2015

- Listed on BSE and NSE on 6<sup>th</sup> May, 2015 with an IPO of ₹ 32,400 Lakhs
- A consortium formed by the Company was awarded 2 projects by IHMCL for providing toll management services



# BUILDING FUTURE VISIBILITY



# LEVERAGING A DIFFERENTIATED BUSINESS MODEL TO INCREASE SCALE AND BID FOR MORE PROJECTS

Our unique business model is spread across short-term and long-term toll collection and Operate-Maintain-Transfer (OMT) projects in India. The low risk nature of our business model enables us to bid for more projects and expand our business, helping us generate steady cash flows and strengthen our project portfolio.

Our differentiated and unique business model is fortified with world-class operational practices. We operate in three key verticals within the infrastructure industry– Short Term Toll Collection, Long Term Toll Collection and Long Term OMT projects. The short-term and long-term toll collection projects allow for lower project cost and quicker pay-offs. As there is no upfront payment to be made, the operating margins are moderate compared with long term OMT projects.

### Short-term Toll Collection

The short term toll collection project comprises the lower equity portion of the business. There is normally no prerequisite for any initial capex or any upfront payment to be made to the Authority. However, a performance security needs to be provided which is normally funded through the working capital facilities.

### Long-term Toll Collection

Our long term projects do not normally require any initial capital expenditure. Only Non-NHAI projects normally require yearly or monthly upfront payments to be made to the Authority.

### Long-term OMT Projects

The long-term Operate-Maintain-Transfer (OMT) contracts do not require any upfront payments as long as the project is a part of the National Highway Authority of India (NHAI). However, certain long-term OMT contracts of the State Government, usually provided by the MSRDC or the PWD, may be exceptions. All OMT projects need to pay a concession fee from the cash flows of toll collections on a monthly instalment basis.

### Optimal Project Mix

We have a balanced mix of short-term and long-term projects, extending the longevity of our business.

Our short-term projects provide a good visibility for the future pipeline of long-

term OMT projects. Further they also allow us to gather primary data for bidding for long term projects.

The share of long-term projects in the total revenue pie is steadily rising at MEP – from 36% in FY2012 to 58% in FY2015. Going forward, our strategic focus is to further increase contribution from long-term projects. This is aimed towards providing a steady and predictable revenue stream – a key driving factor for growth and expansion.

## SCALING NEW HEIGHTS BY LEVERAGING DOMAIN EXPERTISE AND DIVERSE EXPERIENCE

We have a diversified presence in India with the ability to manage multiple quality projects across different geographies. This provides us with a significant advantage to efficiently manage our growth and expansion. The geographic diversity of our project portfolio plays a significant role in developing the experience and expertise required to evaluate and effectively bid for new projects across the country.

We are one of the first few companies focusing to operate on pure toll collection business model. We commenced operations in 2002 with pure toll collection at the five Mumbai Entry Points until 2010. We progressed into winning one of the largest OMT contracts at the Mumbai Entry Points. This covers toll collection at the five Mumbai Entry Points and maintenance of 27 flyovers and certain allied structures in Mumbai for a period of 16 years until November 19, 2026. Today, we are one of the leading players in OMT and Toll Collection in India, having a successful operational experience of over 12+ years and well-diversified presence across 12 states in India.

Backed by strong promoters and capable management team, we are able to execute over 100 projects, attaining a leadership position in the industry. We are

pre-qualified by NHAI and various statutory corporations and government companies for bidding in Tolling and OMT Space.

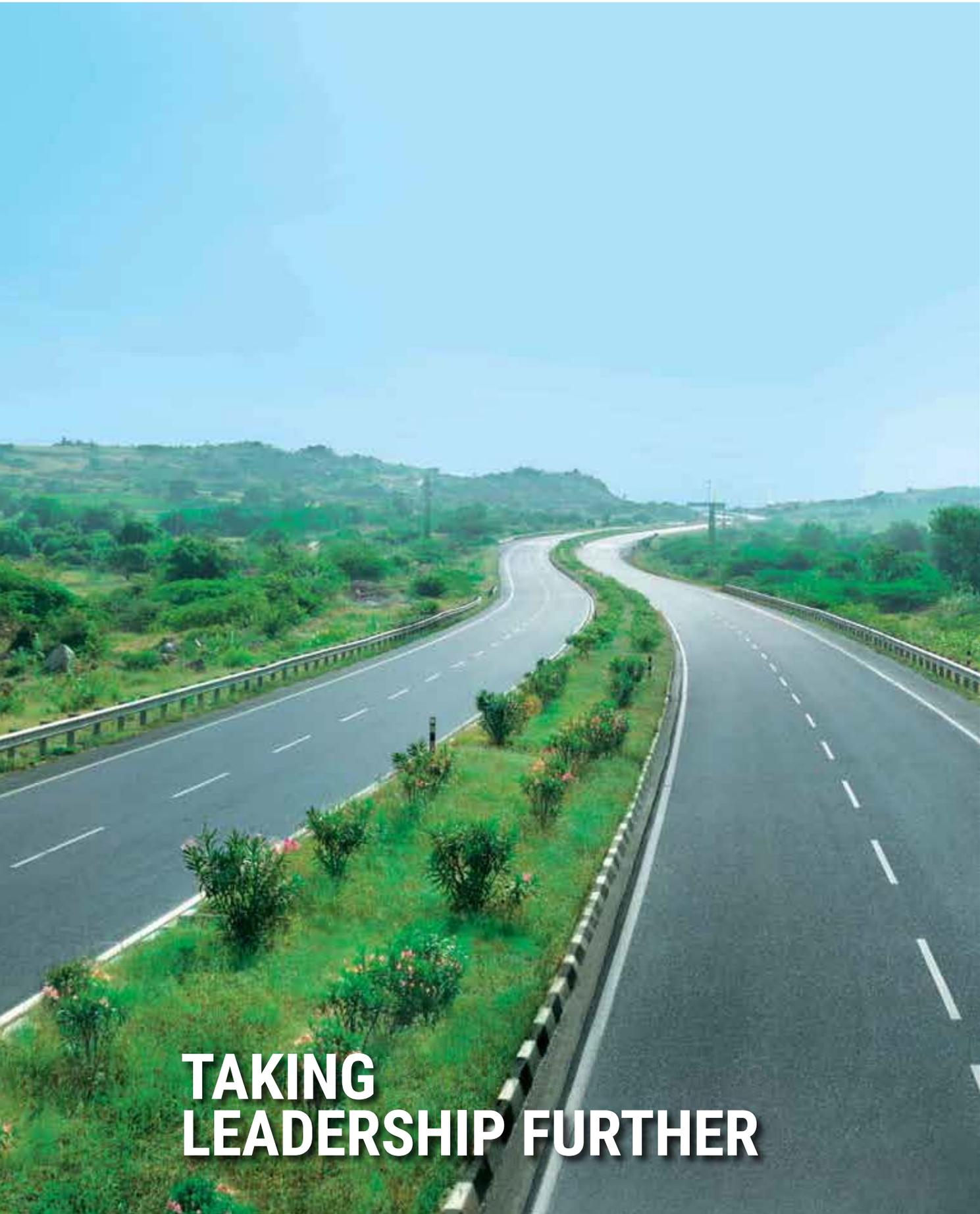
We have established strong relations with various statutory and Government companies such as NHAI, MSRDC, RSRDC, RIDCOR, MJPRCL and HRBC. We have a strong track record for being re-awarded projects previously operated by the Company, including toll collection at Chirle and Karanjade in Maharashtra, toll plazas at Ahmedabad-Vadodara Expressway in Gujarat, Mumbai Entry Points project, and the Rajiv Gandhi Sea Link Project.

### Projects Currently Operational

- 15 long term and short term toll collection projects with 27 toll plazas in 9 states
- 5 long term OMT projects (covering 2,530+ lane kms and 15 toll plazas)
- 1 long term BOT project (covering 42 lane kms and 5 toll plazas)

### How we Score an Edge in the Marketplace:

- 12+ years of operational experience
- Pan India experience in 12 states
- Leadership position in OMT and Toll Collection
- Expertise and Experience in Project Management
- Proven track record
- Effective implementation of Modern Technology in Toll Collection



# TAKING LEADERSHIP FURTHER



**DELIVERING  
ON EXCELLENCE**

# STRONG IN-HOUSE CAPABILITIES LEADING TO OPERATIONAL EFFICIENCY AND TRANSPARENCY

Our distinct ability in managing key operations in-house reduce our reliance on sub-contractors and third parties, lowering our operating costs. We also make use of advanced technology for toll collecting, resulting in operational efficiency and transparency.

We are supported by a strong workforce of 3,500 employees. This includes our toll operational staff, toll management staff and O&M activities. Additionally we have a contract workforce of 1,050 staff members at different toll plazas. We undertake most of the activities related to OMT projects and toll collection in-house. This includes tendering of the project, conducting traffic surveys, forecasting our revenue, achieving financial closure and toll collection.

Our toll collection division makes use of advanced technology to ensure improved operational efficiency and transparency. The electronic toll collection technology ranges from semi-automated to fully-automated toll collection systems, also including weigh-in-motion technology.

## Tendering

- Business development team prepares tendering documents for all bids.

- Ability to tender appropriately depends significantly on assessment of future traffic patterns and the amount of toll to be collected.

## Traffic Survey and Revenue Forecasting

- Traffic study and revenue forecasting capacity and expertise strengthens our ability to evaluate new projects and tender effectively for toll collection and OMT contracts.
- Final revenue model created is discussed and finalised by senior management for bidding purpose.
- Dual responsibility of conducting pre-bidding traffic surveys and monitoring loss in revenue on account of non-paying vehicles for ongoing projects.

## Civil Construction and Maintenance

- Significant experience for supporting and managing EPC and maintenance related activities.
- Equipment and resources availability for implementing routine and major maintenance works.

## Financial Closure

- Coordinating activities relating to achieving financial closure by obtaining fund and non-fund based loan facilities from banks/financial institutions.

## Tolling Operations

- ~ 3,500 employees engaged in Tolling and Maintenance
- ~ 1,050 contract workforce at various toll plazas

## EXPLORING DIVERSE MARKET OPPORTUNITIES TO DRIVE REVENUE GROWTH

The NHAI award opportunity in the OMT space pipeline and new order wins is increasing future revenue growth visibility. In addition to this, we also score an edge in winning new formats of toll collection.

The promise of future growth is fortified by the NHAI award opportunity in the OMT pipeline and new order wins. Industry reports identify an opportunity of ~15,000 kms worth ₹ 3 trillion is expected to come up in the near future. This will be awarded through the EPC, Hybrid Annuity and Toll-Operate-Transfer (TOT) routes.

The infrastructure industry is gradually moving from the BOT to the EPC model, becoming the preferred route for awarding road projects, thereby increasing the market opportunity for toll players. The OMT market is seen as being primarily driven by an increasing number of road projects being awarded on EPC basis, thereby creating opportunity to contract these on an OMT basis post construction.

In a significant move, the Government is designing new structures of Toll-Operate-Transfer and Hybrid Annuity routes for road projects. These models are being designed to create low risk opportunities for the private sector investments and provide for efficient operations. A higher allocation of road projects through these models by the Central and State Governments will translate into significant growth prospects for private companies, translating into an increased opportunity for OMT players.

### Hybrid Annuity Model

Under the Hybrid Annuity model, the developer is expected to contribute 60% of the total project cost, while

the remaining 40% is invested by the Government. Nearly 80% of the future road projects are expected to be awarded through the HAM route. For FY2016, the NHAI has identified 12 road projects with around 576 kms length to be awarded. Total investment estimated for this is expected to be ₹ 159 billion across Delhi, Uttar Pradesh, Himachal Pradesh, Jharkhand and Maharashtra. For FY2017, the NHAI has identified additional 15 road projects with 1,105 kms length, implying an investment ₹ 122 billion.

### Moving towards EPC

During FY2015, the NHAI invited tenders for 14 projects to be developed on an EPC basis. These projects were previously envisaged on a PPP mode. However, this new EPC model is projected to enhance participation by private players as the traffic risk is not passed on to the BOT operator.

### Leveraging TOT

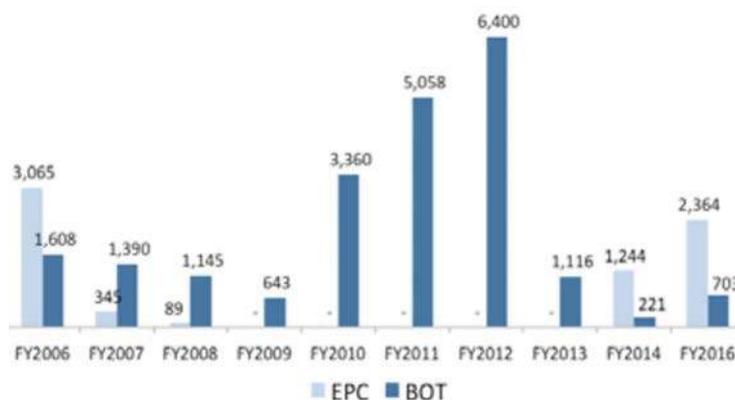
The Government is proposing a new structure of the TOT Model. To support funding requirement of ₹ 1,500 billion, the Government aims to monetise existing road assets for 25 years. This will be done by securitising long-term tolling contracts through the Ministry of Road Transport & Highways (MoRTH) and the NHAI. In short, the TOT model presents a significant opening for specialised OMT and tolling players to leverage this immense opportunity.

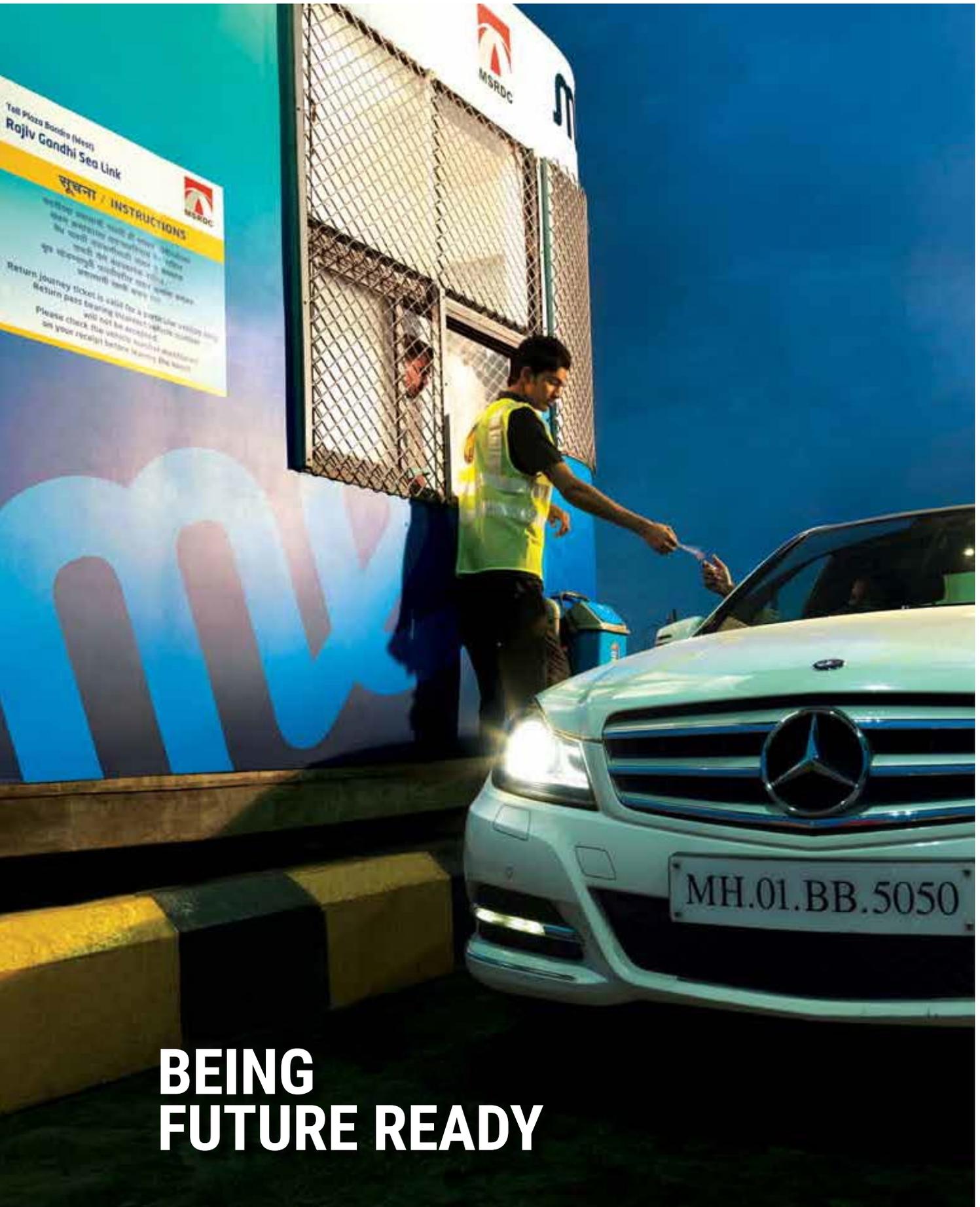
### The Opportunity

EPC Model	2,800 Kms*
BOT Model	1,000 Kms*
Hybrid Annuity Model	1,500 Kms*

*Note: \* Lane Kms expected to be awarded through different models during FY2016-17*

### Length Awarded EPC vs. BOT FY2006-16





**BEING  
FUTURE READY**

# BOARD OF DIRECTORS



Dattatray P. Mhaiskar



Jayant D. Mhaiskar



Anuya J. Mhaiskar



Murzash Manekshana



Khimji Pandav



Vijay Agarwal



Deepak Chitnis



Preeti Trivedi

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Dattatray P. Mhaikar**

Chairman and Non-Executive Director

**Jayant D. Mhaikar**

Vice Chairman and Managing Director

**Anuya J. Mhaikar**

Non-Independent and Non-Executive Director

**Murzash Manekshana**

Executive Director

**Khimji Pandav**

Independent Director

**Vijay Agarwal**

Independent Director

**Deepak Chitnis**

Independent Director

**Preeti Trivedi**

Independent Director

## COMPANY SECRETARY & COMPLIANCE OFFICER

**Shridhar Phadke**

## JOINT STATUTORY AUDITORS

**B S R and Co.**

Chartered Accountants

**Parikh Joshi & Kothare**

Chartered Accountants

## REGISTERED OFFICE AND CORPORATE OFFICE

A 412, Boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri (East), Mumbai 400 072.

Tel: 022 61204800 | Fax: 022 61204804

E-mail: [investorrelations@mepinfra.com](mailto:investorrelations@mepinfra.com)

Website: [www.mepinfra.com](http://www.mepinfra.com)

## LENDERS TO OUR COMPANY & SUBSIDIARIES

**IDFC Limited**

**Canara Bank**

**IIFCL**

**HDFC Limited**

**L&T Infrastructure Finance Company Limited**

**IDBI Bank**

**Allahabad Bank**

**Bank of India**

**Bank of Baroda**

**Dombivli Nagari Sahakari Bank Limited**

**The Kalyan Janata Sahakari Bank Limited**

**The Ambernath Jai-Hind Co-op Bank Limited**

**Janakalyan Sahakari Bank Limited**

**TJSB Sahakari Bank Limited**



# MANAGEMENT DISCUSSION & ANALYSIS

The International Monetary Fund (IMF) has projected India to outpace China's growth rate in 2016, on the back of policy initiatives, pick-up in foreign investments and lowering oil prices. With strong global ties and a dynamic investment atmosphere, India will not only outgrow China, but also its BRIC peers.

## MACRO ECONOMIC OVERVIEW

The Indian economy grew by 7.3% in FY2015, higher than the 6.9% growth rate clocked in FY2014. At this rate, the economy has crossed the \$2.1 trillion mark, becoming the fastest growing emerging economy in the world. The smart economic pick-up is largely on the back of a robust manufacturing sector performance and a surge in public expenditure. The higher growth trajectory has allowed India to address the key structural concerns during the year, whilst successfully tackling inflationary pressures. During the year, India faced the challenges of weakening of the Indian rupee and widening of the twin deficits, surging ahead on the path of revival. A pro-investment attitude of the new Government shaped a strong and structural growth pattern for the economy. Increase in capital expenditure and lowering trends of inflation, supported by a strong monetary policy, are expected to place India on a surging growth track of 8.2% in FY2016. The International Monetary Fund (IMF) has projected India to outpace China's growth rate in 2016 on the back of policy initiatives, pick-up in foreign investments and lowering oil prices. With strong global ties and a dynamic investment atmosphere, India will not only outgrow China, but also its BRIC peers.

## INDUSTRY OVERVIEW

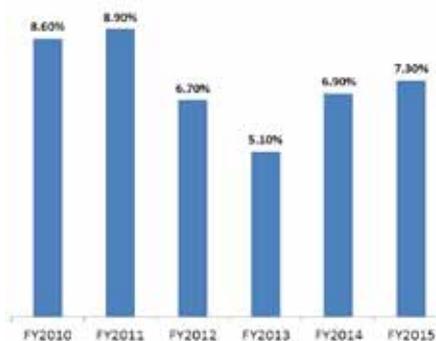
Infrastructure is a vital component in encouraging a country's economic growth. Developing infrastructure enhances a country's productivity, making companies more competitive and boosting the region's economy. A country's capacity to absorb and benefit from new technology and industries depends on the availability, quality and efficiency of more basic forms of infrastructure—energy, water and land transportation. Infrastructure development has always been important agenda for India, considering the current global economic dynamics as well as domestic growth imperatives. However, it has emerged as one of the single-largest imperative which can seriously compromise the country's economic growth trajectory.

In the World Economic Forum's Global Competitiveness Report 2013-14, India's overall infrastructure ranked 85<sup>th</sup> out of 148 countries. Recognising the almost limitless infrastructure requirements, the Government has called for US\$1 trillion in infrastructure spending for the 12<sup>th</sup> Five Year Plan during 2012-17. It has called on the private sector to fund half of these infrastructure investments through Public-Private Partnerships (PPP). The Government's key priorities include 9,500 kilometres of new roads, besides other

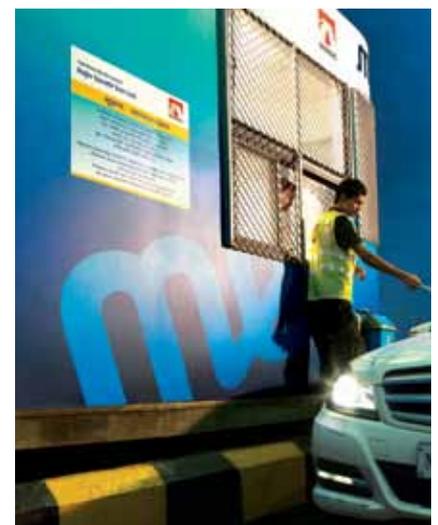
infrastructure. It has also announced an increase of ₹ 70,000 crore in infrastructure in 2015-16, with a key focus on railways and roads to help the country realise its true economic potential. The infrastructure industry includes roads, power, railways, urban infrastructure, irrigation and other segments. Road sector is one of the key contributors in the overall investment in India's infrastructure industry.

**The Government has announced an increase of ₹ 70,000 crore in infrastructure in 2015-16, with a key focus on roads and railways to help the country realise its true economic potential.**

### India GDP Growth Rate (%)



Source: International Monetary Fund



The Government has set aside 20% of the investment of \$1 trillion reserved for infrastructure during 2012-17 to develop roads.

## Investment in the Indian Infrastructure Sector

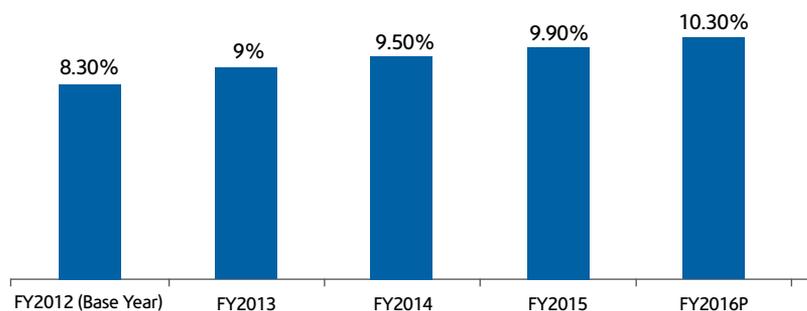
The policies of the Indian Government seek to encourage investments in the domestic infrastructure from local as well as foreign private players. To increase Foreign Direct Investment (FDI) inflows and further boost investments, the Indian Government has introduced significant policy reforms.

The Union Budget 2015-16 has proposed the creation of a 'National Investment in Infrastructure Fund' with an initial annual allocation of \$3.25 billion. The Fund will invest in public sector infrastructure finance companies which, in turn, will be able to leverage their higher credit rating to access domestic and international debt markets. Introduction of tax-free infrastructure bonds for projects in rail, road and irrigation sectors is also on the anvil. An Expert Committee for preparing draft legislation on single window clearance has been formed with the motive of improving India's ranking in the ease of doing business from current 142 to target of 50.

## Overview of the Road Sector in India

India has the second largest road network in the world, aggregating 4.7 million kms. However, the quality of roads has not kept par with others. In terms of quality, only half of India's road network is surfaced. Roads constitute the most common mode of transportation and account for about 85% of passenger traffic and around 60% of the freight traffic in the country. In India, National Highways, with a length close to 79,000 kms, constitute a mere 2% of the road network, but carry about 40% of the total road traffic. On the other hand, state roads and major district roads are the secondary system of roads that carry another 60% of traffic and account for 98% of road length. Road activity has seen a sharp spike in past few years, aided by improved and better connectivity between cities, towns and villages in the country. With automobiles and freight movement rising rapidly, it has necessitated a road network to carry the increased traffic. The Government has set aside 20% of the investment of \$1 trillion reserved for infrastructure during 2012-17 to develop roads. The value of roads and

### Projected Infrastructure Investment in India during 12<sup>th</sup> Five Year Plan



Source: CRISIL

bridges infrastructure in India is projected to grow at a CAGR of 17.4% from \$6.9 billion in 2009 to \$19.2 billion by 2017.

### a. National Highways

Over the last decade, the overall National Highways length (completed) has increased from around 500 kms in 2001-02 to the current levels of 22,900 kms (as of March 31, 2015). Projects of around 3,067 kms were awarded by the National Highway Authority of India (NHAI) during FY2015, where a major portion of around 700 kms was awarded under the BOT

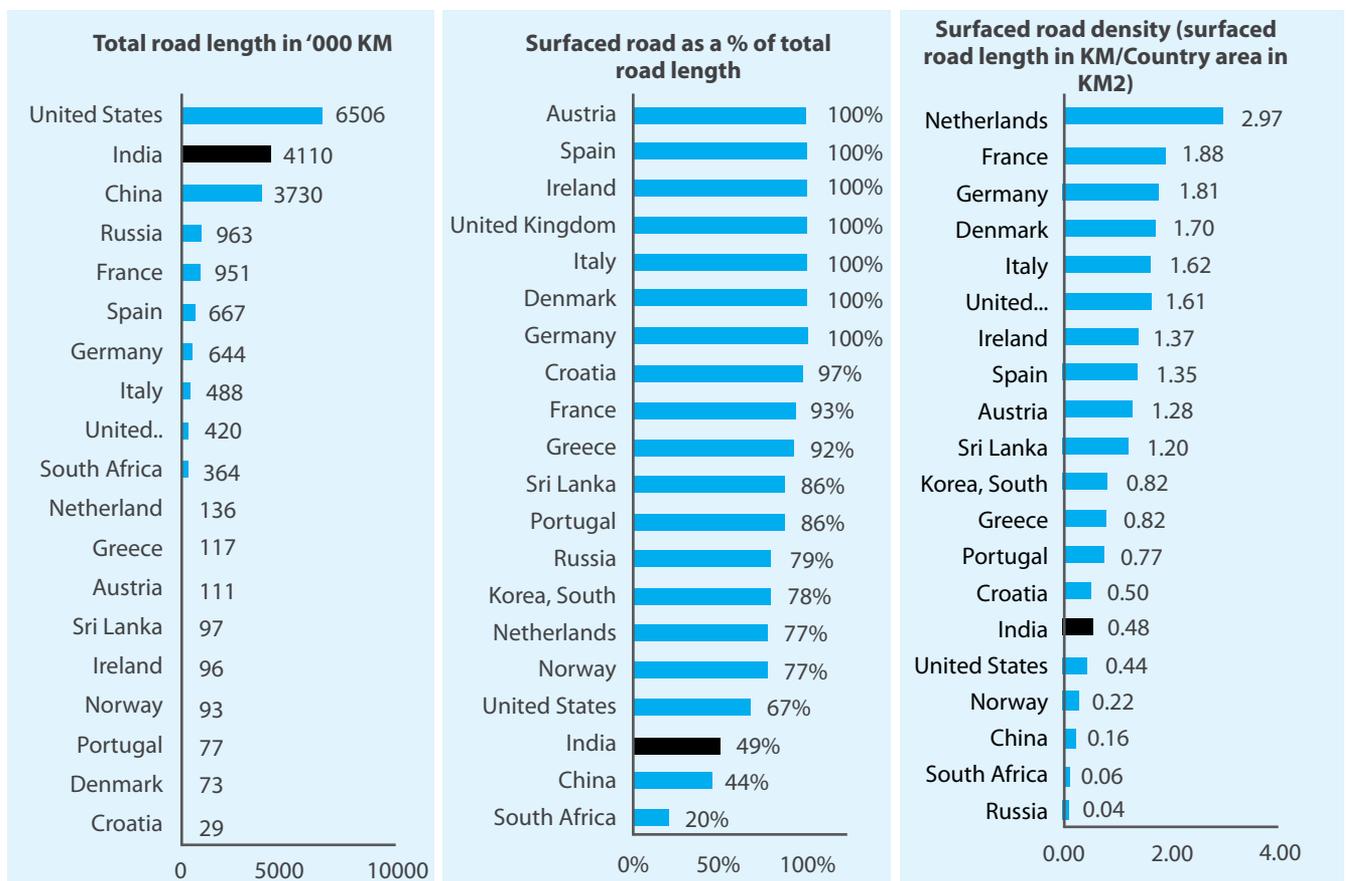
model and the remaining under EPC model. This was more than double the size of projects awarded in FY2014, which was around 1,465 kms. The Government, along with the NHAI, plans to implement significant measures ensuring overall revival of the Indian road sector. The Government has set a target to achieve 2.0% of the GDP from Transport and Port sector.

Some of the key initiatives of the Government in Road Infrastructure Sector are:

- NHAI plans to award projects worth around ₹ 3 trillion during FY2016, through the PPP, Hybrid Annuity or EPC model.

- NHAI, along with Ministry of Road and Transport Highways (MoRTH), plans to award road projects ranging up to 15,000 kms over FY2016 and FY2017.
- Various State Governments such as Gujarat, Maharashtra, Karnataka, Madhya Pradesh, Uttar Pradesh, Bihar, West Bengal and Rajasthan have identified significant opportunities to develop the State Highways. Several projects on EPC and PPP basis are expected to roll out in the next 5 years.

## Global Comparison of Road Infrastructure



Source: CRISIL

## Highway Projects Awarded by NHAI (In Kms)



Source: India Infrastructure Research 2015

## Key Factors driving Growth of Investment in Roads and Highways

### a. Economic Growth

Freight traffic has grown at a CAGR of 6.8% from 2008-09 to 2013-14, in line with the economic growth of 6.7% during the same period. Freight traffic (in BTKM) growth is set to revive to 5-7% in 2014-15, up from the 3.5% growth seen in 2013-14. This followed an expected improvement in the macro-economic environment. Roads continue to dominate freight traffic with its share in overall freight movement rising steadily to 63% in 2013-14, up from 58% in 2008-09, owing to healthy growth in non-bulk traffic and capacity constraints in railways.

### b. Road Freight Traffic gaining Preference

Capacity constraints in railways had led to the share of roads in primary freight pie increasing from an estimated 58% (in BTKM) in 2008-09 to around 63% in 2013-14. Road freight transport augmented by 8.5% CAGR during 2008-09 to 2013-14, as against a 6.8% CAGR in overall primary freight traffic. From 2012-13 to 2017-18, road freight

traffic is seen expanding by 7-9% CAGR, higher than growth in the overall primary freight demand. Growth in road freight traffic will be largely driven by growth in non-bulk traffic and development of road infrastructure. Roads remain the preferred mode of transport for non-bulk traffic.

### c. Increasing Vehicular and Passenger traffic

Growth in vehicular and passenger traffic has outpaced an increase in total road network in the past. While the number of vehicles increased at around 10.3% between 2001 and 2008, passengers travelling by road increased 6.4% CAGR. On the other hand, the total road network increased at just 2.6% during the same period. This increase in vehicular and passenger traffic is expected to put pressure on the existing road network, thereby necessitating road development. Since 1950-51, the passenger traffic for railways has come down from 85% to 23%, while passenger traffic for roads has consistently grown from 29% to 77% for the same period.

### d. Increasing Government Thrust

Various initiatives have been undertaken by the Government, such as the Highway Development Programme (NHDP), Pradhan

Mantri Gram Sadak Yojna (PMGSY) and Central Road Fund Act (2000). There were other initiatives such as viability gap funding and tax benefit. These moves are to increase the overall connectivity of highways. Some other key initiatives taken by the Government are:

- An ordinance to amend the New Land Acquisition Act has been passed in both houses
- A committee has been set up to ease the environmental clearance norms, along with introducing a new bidding strategy for National Highway Projects
- Introduction of an online portal to address issue related to all environment and forest clearances
- To ensure faster dispute resolution and redressal, a 'Society for Affordable Redressal of Disputes' has been set up by the NHAI
- The Ministry of Road Transport and Highways is fast-tracking road projects in border areas through Border Roads Organisation (BRO) to bring them under the Ministry of Defence.
- The rescheduling of premium payment for 11 national highway projects is carried out

### e. Easing Finance Constraints

In a bid to revive the road and highway infrastructure in the country, the RBI has permitted the NBFCs and banks to restructure and refinance their loans through full or partial takeout financing. A new "5/25" scheme has been introduced to ease financial pressure on developers of new infrastructure projects with long gestation projects. The scheme allows banks to extend long-term loans of 20-25 years to match the cash flows of projects, while refinancing them

every five or seven years. The Central Government is also in the process of finalising a mechanism that will allow private equity firms and sovereign wealth funds to invest in highway projects.

**f. Initiatives to Revive the Road Sector**

The Cabinet Committee on Economic Affairs (CCEA) has approved a comprehensive Exit Policy Framework that now permits concessionaires /developers to divest 100% equity, two years after completion of construction. This will help revive private participation. In order to revive projects stuck due to lack of funds, the NHAI has been authorised to provide funds to such projects from its overall budget/ corpus as loans at a pre-determined rate of return. This is along with strong plans to allow international arbitration for dispute resolution.



## Policy Initiatives undertaken by the Government

**a. NHDP**

The National Highway Development Programme (NHDP) encompasses building, upgradation, rehabilitation and broadening of existing National Highways. The programme is executed by the NHAI, in coordination with the Public Works Department (PWD) of the various states. The NHAI also collaborates with the BRO for development of certain stretches.

**b. PPP**

Public Private Partnership (PPP) model is expected to be the preferred mode for execution of future phases of NHDP. The Government has devised appropriate policy mechanisms to encourage private sector participation in the sector.

**c. Viability Gap Funding**

The Government will provide grants or viability gap funding (VGF) in case of BOT-toll projects that are not financially viable.

**d. Diversification of funding by introduction of CRF**

Central Road Fund (CRF) is a dedicated fund created by the Central Government for collection of cess on petrol and diesel. For 2012-13, an allocation of ₹ 194 billion was earmarked under the CRF. The Finance Ministry has also

suggested to banks to consider 80% of land acquisition, while granting disbursements instead of the current 100% norms.

**e. PPP loans secured status**

As per a recent RBI directive, loans for PPP projects can be considered as 'secured' subject to fulfilment of certain conditions such as escrow for toll, right of substitution for lenders, and compulsory buy-out by project authority in case of termination by lenders. As per the Environment Ministry notification

issued in August 2013, highway development projects involving widening of roads, which are upto 100 kms, need not take environment clearance.

**f. Hybrid Annuity Model**

The Government has introduced a new Hybrid Annuity Model to (HAM) improve private participation. Under this new model, the developer will have to contribute 60% of the total project cost, while the balance 40% will be invested by the Government. The Government will collect the toll under HAM model and pay the developer a bi-annual annuity for recovering the investment and interest cost and also includes a fee for operations and maintenance. Compared to EPC model, HAM model would help in easing the cash flow pressures on NHA. Therefore, NHA's own upfront funding requirement will be lower in case of HAM model, compared with the EPC model. Further, the traffic risk is not passed on the BOT operator, thus enhancing participation from private players. Going forward, with focus on assured execution of the projects, EPC and HAM would be the preferred routes for awarding the road projects.

## Current Status and Overview of NHDP

The NHDP is a programme executed by the NHA to upgrade the existing highway network in co-ordination with the Public Works Department (PWD) of various states. The NHDP is being implemented in seven states across India.

Going forward, with focus on assured execution of the projects, EPC and Hybrid Annuity Models (HAM) are expected to be the preferred routes for awarding the road projects.

### Key Projects Awarded by NHA

Phases	Description	Implementing Agency
I	Golden Quadrilateral (Connecting Delhi-Kolkata Chennai-Mumbai) Port connectivity (Connectivity for 10 major ports)	NHAI NHAI
II	North-South & East-West (NSEW) corridor (Srinagar to Kanyakumari-North South) and Silchar to Porbandar-(East-West)	NHAI
III	Connecting state capitals and places of economic and tourist importance	NHAI
IV	Improve 2-lane standards with paved shoulders	NHAI
V	6-laning of existing national highways (Phase involves 5,600 km stretch under GQ)	MORTH
VI	Expressways	NHAI
VII	Ring Roads bypass and flyovers	NHAI

## OMT Business Model

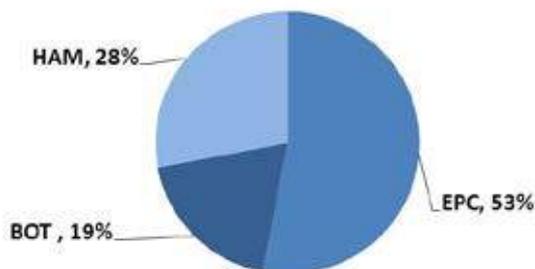
In the past, both state and National Highways have attracted significant investments for their development. Stretches that were developed under the public private (PPP) model are currently being maintained to desired performance standards by the concessionaire.

However, stretches that were developed by utilisation of public funds need to be maintained at adequate service levels by the respective national or state authority. Repair and maintenance work on these public funded stretches is being carried out annually, as per availability of funds and extent of damage, to keep these highways suitable for public use.

**a. Risk sharing under OMT contract**

OMT projects have financial liabilities, principally towards road development agencies. This is unlike the capital-intensive DBFOT (toll) projects where financial liabilities of the projects are towards both road development agencies and lenders. Construction risk is relatively lower for OMT projects when compared to BOT / EPC projects.

### NHA Allocation across Different Models



Source: Indian Road Sector Report – ICRA

**b. Key drivers of the OMT business model**

The OMT Model bridges the significant gap in lack of funds available for operation and maintenance of roads (highways) in India. In addition to this, it also provides certain other advantages as listed below:

- Under OMT contracts, the efficiency of the private sector in toll collection and O&M is leveraged. This typically leads to a decrease in costs as well as increase in revenues, owing to a reduction in leakage of toll.
- Under an OMT contract, a concessionaire is awarded O&M and tolling of a project stretch for a typical duration of 9 years. This significantly reduces the administrative efforts of the awarding agency, as earlier the authorities (NHAI, State Agencies, etc.) two separate agencies every year, one for tolling and the other for O&M of a project stretch. Standalone tolling or O&M contracts are typically for a smaller contract period of around one year.
- All OMT projects awarded till date resulted in the premium (concession fee) being shared by the concessionaire with the awarding authority (NHAI / State Authority). Revenue generated through premium sharing can be used for development of other road corridors.
- Drivers of the OMT Market:
  - o A number of BOT players exited their current projects resulting in the new buyer contracting projects on OMT basis.
  - o Rising penetration of OMT stretches in State Highways, especially in the States of Karnataka, Bihar and Madhya Pradesh.

**Future Outlook for the OMT Model**

As per CRISIL, around 15,150 kms of OMT opportunity is expected to come up in the

near future, as per industry reports, which will be awarded through the EPC, HAM and TOT routes. Of this, about 5,150 kms will come from contracts already awarded under the NHDP, while 10,000 kms is expected to come from future contracts.

The Rising Opportunity:

- i. **Karnataka** – The KRDC has identified 8 OMT contracts worth ₹ 6 billion to cover 840 kms.
- ii. **Bihar** – The BSRDC has identified OMT contracts to cover 1,800 kms of state highways, 4,000 kms of major district roads and 675 kms of state roads under Bihar State Highways Project.
- iii. **Madhya Pradesh** – The MPRDC has identified 12 projects worth ₹ 450 million to be undertaken on an OMT basis.
- iv. **OMT Projects** – The number of projects bid by NHAI and State Highway authorities on an OMT basis is expected to increase from the 14 and 34 projects, respectively, in 2013-14 to 30-32 and 55-60 projects, respectively, in 2017-18.

## BUSINESS OVERVIEW

### About the Company

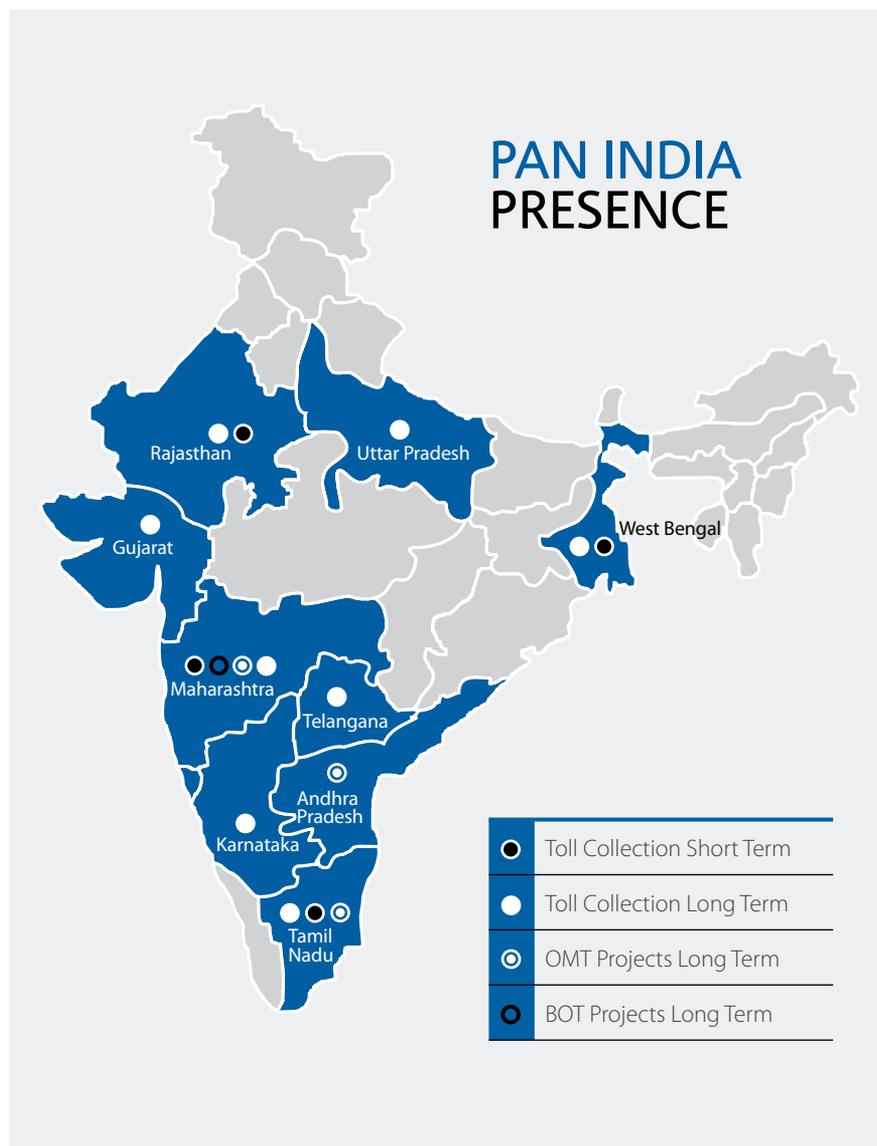
MEP Infrastructure Developers Limited is an established and leading player in tolling operations in the road infrastructure sector, with a pan-India presence. We focus on pure toll collection and OMT projects which involve maintenance obligations. This is in addition to toll collection on operational roads (including highways) constructed by third parties. We currently operate 15 toll collection projects with an aggregate of 27 Toll Plazas. We also have five OMT projects covering 2,530.04 lane kms with an aggregate of 15 Toll plazas. In addition to this, there is one BOT project covering 42.02 lane kms with five toll plazas. These on-going projects are located

**We currently operate 15 toll collection projects with an aggregate of 27 Toll Plazas and five OMT projects, covering 2,530.04 lane kms.**

across ten States in India. KVM Consortium, a consortium formed by our Company, KENT Intelligent Transportation Systems India Private Limited and Vishwakarma Scales Private Limited, has been awarded by IHMCL a project. This is for providing toll management systems including weigh-in-motion technology, CCTV surveillance and static weigh bridge at toll plazas of public-funded NHAI projects in north and south zone for a period of five years, respectively.

We have a vast experience of over 12 years in the road infrastructure business, with our operations spread across 12 states in India. Some significant toll collection projects we have completed are:

- (i) Project for collection of toll at five Mumbai Entry Points, where we currently operate an OMT contract pursuant to a re-award
- (ii) Project for collection of toll at Chalthan Toll Plaza, Gujarat
- (iii) Project for collection of toll at the Toll Plazas located at Ahmedabad, AUDA Ring Road, Nadiad, Anand and Vadodara on the Ahmedabad – Vadodara Expressway, Gujarat
- (iv) Project for collection of toll for the Rajiv Gandhi Sea Link, Mumbai, Maharashtra
- (v) Project for collection of toll at Chirle Toll Plaza and Karanjade Toll Plaza, Maharashtra
- (vi) Project for collection of toll at the toll plazas on Hanumangarh – Kishangarh Road, Rajasthan



us an advantage while bidding for new toll collection contracts. We capitalise on new opportunities available in the market and evolving new formats of toll collection contracts. We have expanded our business over the last few years to include long-term toll collection and OMT projects.

**c. Integrated Structure with In-house Capabilities**

We undertake most of the activities related to toll collection as well as OMT projects in-house. This includes tendering for the project, conducting traffic survey, forecasting revenue, achieving financial closure and collection of toll. This helps us reduce our reliance on sub-contractors and third parties and decrease costs. We, however, use sub-contractors from time to time for the maintenance activities part of our OMT projects. We have developed an in-house traffic survey team, with dual responsibility of conducting pre-bidding traffic surveys as well as monitoring loss in revenue on account of non-paying vehicles for on-going projects. We believe our in-house traffic study and revenue forecasting capacity and expertise strengthens our ability to evaluate new projects and tender effectively for toll collection and OMT contracts.

**Our Strengths**

**a. Established and leading player in the Toll Management industry with proven Track Record**

We are an established and leading toll operator in India with 25 on-going toll collection projects and an aggregate of 40 toll plazas. We have 5 on-going OMT projects covering 2,530.04 lane kms with an aggregate of 15 toll plazas and one on-going BOT project covering 42.02 lane kms with 5 toll plazas, spanning 10 states in India. We have been undertaking toll collection of

the OMT Project– the Rajiv Gandhi Sea Link, Mumbai since its opening in 2009. We believe that our ability to manage multiple projects across different geographies provides us with a significant advantage to efficiently manage our growth and expansion.

**b. Early Mover Advantage**

We benefit from an early mover advantage - being one of the first few companies focusing on pure toll collection. We collect toll at five of Mumbai’s Entry Points. We believe that our experience and expertise in toll management gives

**d. Advanced Technology for Toll Collection**

As part of the prepaid mode of toll collection, we use smart cards as well as RFID technology-based tags that are mounted on the windshield. These enable faster traffic clearance at the toll plazas. We also have the smart card based ETC system which enables users to make payments through prepaid smart cards at some of our projects. These are the Mumbai Entry Points Project, Chennai Bypass Project, Hyderabad-Bangalore Project, Madurai-Kanyakumari Project, RGSL Project, the Dankuni Toll Plaza in West Bengal and the Kalyan-Shilphata Project.

The ETC systems reduce cash management, resulting in revenue enhancement as well as improved transparency in the amount of toll collected. These systems also help in reducing the clearing time for vehicles at toll stations, thereby improving operational efficiency. For the purpose of identifying categories of vehicles and to charge an appropriate toll rate, the automatic vehicle identification based in-road/infrared sensors are used. We also use weigh-in-motion technology for projects where weight based toll collection is mandated. Our weight-based tolling systems are integrated with the fully automatic toll collection system for enhanced revenue controls. We have set up a centralised control room at our Mumbai head office that consolidates cameras at the toll plazas to enable video-based monitoring of toll operations throughout the day. The KVM Tech Initiative includes round-the-clock surveillance measures on toll collection using modern techniques, centralised control rooms and cameras that enable video-based monitoring of toll operations.

**e. Asset Light and Robust Business Model**

We follow an asset light business model by focusing on pure toll collection as well as OMT projects on operational roads constructed by third parties. We acquire the right to collect toll on operational roads, pursuant to contracts entered into with various authorities. We generate our revenue through collection of toll from commuters, under projects acquired by forecasting the traffic volume based on in-house surveys. We do not undertake construction of road projects, thereby avoiding risks associated with construction and gestation of projects. We believe that the asset light nature of our business model enables us to bid for more projects and expand our business without the risks associated with road construction.

**f. Diversified Project Portfolio**

We have a diverse project portfolio of toll collection as well as OMT projects currently spanning across 9 states in India. These are: Andhra Pradesh, Gujarat, Karnataka, Maharashtra, Odisha, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal. The geographic diversity of our project portfolio plays a significant role in developing our experience and expertise, including our ability to evaluate and bid effectively for new projects.

Further, a majority of our OMT projects are located in major cities of India or on the roads connecting major metropolitan cities in India. Our on-going project portfolio is a combination of 9 Short Term and 6 Long Term toll collection projects, 5 OMT projects and 1 BOT project. We believe that our diverse project portfolio provides us with an advantage in capitalising on new opportunities available in the sector. Further, diversification also enables us restrict our reliance on

any specific region and strengthens our business by reducing the impact of any *force majeure* event in any particular region on the business.

**g. Ability to achieve Financial Closure for Projects**

We finance the payments to be made to the authorities for projects by way of fund-based as well as non-fund based loan facilities from banks/financial institutions. Our ability to obtain adequate financing for our projects provides us with increased availability of funds for business development and other expansion activities. In the past, we have been able to obtain third-party debt for our projects in a timely manner.

## FINANCIAL HIGHLIGHTS

FY2015 registered a strong growth in the Company's revenues. Income from Operations went up to ₹ 198,426.03 Lakhs for the year ended March 31, 2015, as compared to ₹ 119,790.55 Lakhs in the previous year – an increase of 66%. The increase is due to a higher contribution from four of our OMT projects and one long term toll collection project. All the five projects commenced commercial operations during FY2014.

During FY2015, the Company commenced a long term toll collection project Kini-Tasawade, which is located on the Satara-Kolhapur Section of NH-4.

The consolidated EBITDA of the Company has increased to ₹ 47,608.47 Lakhs the year ended March 31, 2015, as compared to ₹ 35,382.18 Lakhs in the previous year – an increase of 35% mainly due to the above mentioned increase in Income from Operations.

The Company suffered a Net Loss after Tax of ₹ 11,533.31 Lakhs as compared to ₹ 12,918.15 Lakhs last year. The loss is mainly on account of a loss incurred



by the Company in the Chennai Project owing to toll evasion and non-compliance issues by the Authority as well as loss in Mumbai Entry Points Project due to higher amortisation of upfront fee paid to the authority.

## THREATS & CONCERNS

### Changing Economic and Political Scenario

Any significant change in liberalisation and deregulation policies as well as political instability can adversely affect business and economic conditions in India. This, in turn, has the capability to affect our business prospects, financial condition, execution of our operations and the price of our equity shares. Political tensions can create a perception that investment in Indian companies involves higher degrees of risk.

## INFORMATION TECHNOLOGY AND CONTROL SYSTEM

We have partnered with various technology and software providers to install modern technologies and deploy newer tools across various projects.

- a. **Toll Management Systems**  
Payments at the toll plazas, both electronic as well cash payment, are processed through a semi-automated or a fully-automated toll collection system, depending on complexity of the project and the infrastructure provided by the government authority. We have installed toll management systems at all of our toll collection projects and five OMT projects. Both these systems collect and store traffic and

payment data, thereby reducing the need for manual operation. A semi-automated system consists of revenue collection software desktop, barrier gate, smart cards and monitoring cameras and a fully automated system includes vehicle counting classifier, vehicle audit system, communication channels and traffic control equipment, in addition to all the components of a semi-automated system. We also have established security systems and equipment at our toll booths, including modern video and image capturing equipment to minimise cash pilferage.

- b. **RFID Technology Based Electronic Toll Collection System and Smart Cards**

We have established an RFID technology based electronic toll collection system ("ETC") at the

Rajiv Gandhi Sea Link toll plaza in Mumbai, the Vidyasagar Setu Project and at four toll plazas forming part of the Mumbai Entry Points Project. We are in the process of implementing the same at the remaining one toll plaza of the Mumbai Entry Points Project. The RFID technology based ETC system senses the tag mounted on the windshield of the user's vehicle and deducts the toll fee from the prepaid amount, as per the toll fee notification of the project. The RFID tag cannot be tampered with. We also have the smart card based ETC system which enables users to make payments through prepaid smart cards at some of our ETC systems reduce cash management, resulting in revenue enhancement as well as improved transparency in the amount of toll collected. ETC systems also help in reducing the clearing time for vehicles at the toll stations, thereby improving the operational efficiency.

**c. Vehicle Identification Systems**

We make use of video and image capturing equipment and automatic vehicle identification based on in-road/infrared sensors for identifying the categories of vehicles for the purpose of determining the applicable toll rate. We deploy infrared based toll revenue audit systems at some of our projects, including toll plazas for the Mumbai Entry Points Project and the RGSL toll plaza and undertake video-based monitoring of the operations at the projects through a centralised control room at our head office.

**d. Weight Based Tolling Systems**

We use weight based tolling system for our OMT contracts with NHAI with the help of 'weighing in motion' devices that are designed to capture and record axle weights and gross vehicle weights as vehicles drive over a measurement site. Weighing

in motion systems do not require the vehicle to stop and are capable of measuring vehicles that are travelling at a reduced or normal traffic speed, thereby improving the efficiency of the weighing process.

**e. Systems for Back Office Management and Support Functions**

We also have enterprise resource planning solutions for back office management and support functions. We currently use Microsoft Project as tool to track and review activities in highway maintenance. We are also evaluating options for, and are in discussions with, certain service providers with respect to implementing newer systems for highway management.

## HUMAN RESOURCES

We believe that a team of committed and motivated employees is a key competitive advantage and will benefit us in our future growth and expansion. Our recruitment policy aims at enriching our talent pool by acquiring skill and functional expertise. This policy is implemented through training and induction for new employees as well as leadership training programmes for certain categories of employees undertaken by our training department. We conduct regular appraisals for our employees and award promotions on their basis. We also provide loans as well as medical re-imburements to certain employees in accordance with our policies. We believe that we have a satisfactory working relationship with our employees and we have not experienced any significant labour disputes in the past. As of March 31, 2015, we had 4,300 employees.

## CAUTIONARY STATEMENT

This document contains statements about expected future events, financial and operating results of MEP Infrastructure Developers Limited, which are forward-looking. By their nature, forward looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the MEP Infrastructure Limited Annual Report, 2014-15.

# Directors' Report

The Directors present their Thirteenth Annual Report and audited Financial Statements for the financial year ended 31st March 2015.

## FINANCIAL RESULTS

The financial results of the Company are elaborated in the Management Discussion and Analysis Report.

The highlights of the Standalone Financial Results are as under:

(₹ in Lakhs)

Particulars	Standalone Results For the year ended as at		Consolidated Results For the year ended as at	
	31st March, 2015	31st March, 2014	31st March, 2015	31st March, 2014
Total Revenue	<b>93,287.57</b>	49,938.67	<b>204,129.65</b>	124,119.81
Total Expenses	<b>90,753.33</b>	49,420.35	<b>214,769.92</b>	139,640.85
Profit/(Loss) before tax, before prior period items	<b>2,534.24</b>	518.32	<b>(10,640.27)</b>	(15,521.04)
Prior period expense (Net)	<b>29.24</b>	98.75	<b>(106.34)</b>	(98.75)
Profit/(Loss) before tax	<b>2,505.00</b>	419.57	<b>(10,746.61)</b>	(15,619.79)
Tax Expense (Net)	<b>889.88</b>	174.70	<b>(786.71)</b>	2,358.98
Profit/(Loss) before Minority Interest	-	-	<b>(11,533.31)</b>	(13,260.81)
Profit/(Loss) attributable to Minority Shareholders	-	-	-	(86.80)
Pre-acquisition Profit/(Loss) adjustments	-	-	-	429.46
Profit/(Loss) after tax	<b>1,615.12</b>	244.86	<b>(11,533.31)</b>	(12,918.15)
Balance carried to Balance Sheet	<b>13,365.68</b>	11,750.56	<b>(32,443.32)</b>	(18,782.90)
Earnings per share (Rs.)	<b>1.47</b>	0.24	<b>(10.51)</b>	(12.92)

## DIVIDEND

To conserve its financial resources and to utilize funds for the growth opportunities of the Company, your Directors do not recommend any dividend for the current year.

## SHARE CAPITAL

The Paid-up Equity Share Capital as on 31st March, 2015 was Rs.111,49,42,500/- (divided into 111494250 equity shares of Rs.10/- each). There was public issue of 51,074,941 equity shares of face value of Rs.10/- each (the "equity shares") for cash at a price of Rs.63/- per equity share (including a share premium of Rs.53/- per equity share) [for Anchor Investors Issue price was Rs.65/- per equity share]. The post-issue Paid-up Equity Share Capital as on the date of this Report stood at Rs.162,56,91,910/- (divided into 162569191 equity shares of Rs.10/- each.).

The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

## SUCCESSFUL INITIAL PUBLIC ISSUE

Your Directors are pleased to inform you that the Initial Public Offering (IPO) of the Company was successfully completed. The issue was opened for subscription on 21st April, 2015 with a price band of Rs.63-65 per share and issue size of Rs.324 Crores and closed on 23rd April, 2015. The offering was successful across all the Investor Categories with an overall subscription of 1.10x. The equity shares have been listed in both the exchanges viz. National Stock Exchange of India Ltd ("NSE") and BSE Limited ("BSE") w.e.f 6th May, 2015. Consequently, the Company's paid up capital has increased from Rs.111,49,42,500/- to Rs.162,56,91,910/-.

There are no shares lying in the suspense account which remain unclaimed.

## DEPOSITS

The Company has not accepted any deposits during the year.

## OPERATIONS

Detailed information on the operations of the Company and details on the state of affairs of the Company are covered in the Management Discussion and Analysis Report.

## EXTRACTS OF ANNUAL RETURN

The extracts of Annual Return as provided under sub-section (3) of section 92 of the Companies Act, 2013, in the prescribed Form MGT-9 is annexed to this Report.

## NUMBER OF MEETINGS OF THE BOARD

There were 28 meetings of the Board held during the year. Detailed information is given in the Corporate Governance Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required under clause (c) of sub-section (3) of section 134 of Companies Act, 2013, Directors, to the best of their knowledge and belief, state that –

- (i) in the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis;
- (v) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

## DIRECTORS' REMUNERATION POLICY AND CRITERIA FOR MATTERS UNDER SECTION 178

Information regarding Directors' Remuneration Policy and criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178 are provided in the Corporate Governance Report.

## ANNUAL EVALUATION OF THE PERFORMANCE OF BOARD, ITS COMMITTEES AND DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The criteria in which the evaluation has been covered in the corporate governance report.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Information regarding loans, guarantees and investments as to be captured under the provisions of section 186 of the Companies Act, 2013 are not applicable to the Company as being covered under the "the companies providing infrastructure facilities".

## RELATED PARTY TRANSACTIONS

The Audit Committee has given an omnibus approval for the related party transactions for the Contracts/ Arrangements entered by the Company during the financial year. The Contracts/arrangements entered by the Company during the financial year with related parties were generally in the ordinary course of business and on an arm's length basis. The Company has also entered into contracts with related parties which also covers the wholly owned subsidiaries viz. Raima Ventures Private Limited (Contract Value – Rs.906.96 lacs) and Raima Toll & Infrastructure Private Limited (Contract Value – Rs.267.31 lacs) have been duly approved by the Company's Board of Directors and the Audit Committee as required in terms of the requirements of the Companies Act, 2013. The particulars of the said transactions alongwith other contracts/arrangements are also briefed in the Note/Schedule 26.10 to the financial statement which sets out related party disclosures. There were no materially significant transactions with the related parties during the financial year 2014-15 and were not in conflict with the interest of the Company. Considering the foregoing, disclosure in Form AOC-2 is not required.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed through the following link: <http://www.mepinfra.com>

## MATERIAL CHANGES AND COMMITMENTS

Your Company's object of the issue was repayment/pre-payment, in full or in part certain loans availed by the material subsidiary viz. MEP Infrastructure Private Limited. As envisaged by the management of the Company the repayment / prepayment has helped reduce our outstanding indebtedness and debt servicing costs on a consolidated basis. This would enable us to utilize our accruals for further investment in business growth and expansion. In addition, we believe that this would improve our leverage capacity and thereby improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business in the coming years.

## CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and specified employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviour in any form and the Board has laid down certain directives to counter such acts. Such code of conduct has also been placed on the Company's website. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism Policy to deal with instances of fraud and mismanagement, if any. Staying true to our core values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and Stakeholder Responsibility. The said Policy ensures that strict confidentiality is maintained in respect of whistle blowers whilst dealing with concerns and also specified that no discrimination will be meted out to any person for a genuinely raised concern.

The Policy on Whistle Blower Mechanism may be accessed through the following link: <http://www.mepinfra.com>.

## PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and certain designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

The Policy on Code of Conduct for Prevention of Insider Trading may be accessed through the following link: <http://www.mepinfra.com>.

## AUDIT COMMITTEE

The Audit Committee comprises of 2 Independent Directors and a Non-Executive Director. The Audit Committee met 3 (three) times during the year on 19th September, 2014, 15th December, 2014 and 14th February, 2015. Further details relating to Audit Committee are dealt with in Corporate Governance Report forming part of this report.

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

The Company primarily being an infrastructure company and not involved in any industrial or manufacturing activities, the Company has no particulars to report regarding conservation of energy and technology absorption as required under section 134 of the Companies Act, 2013 and Rules made thereunder. During the year under review, the Company did not have any foreign exchange earnings, whereas the foreign exchange outgo amounted to Rs.81,000/- (Rupees Eighty One Thousand only) towards foreign travelling expenses.

## RISK MANAGEMENT POLICY

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

## CORPORATE SOCIAL RESPONSIBILITY

Detailed information on Corporate Social Responsibility Policy developed and implemented by the Company on CSR initiatives taken during the year pursuant to section 135 of the Companies Act, 2013 is given in the annexed Report on CSR activities.

## SUBSIDIARY/JOINT VENTURE/ASSOCIATES

Following are the companies which are subsidiary/joint venture/associate companies of the Company:

Name of the Subsidiary	% of holding	Status
MEP INFRASTRUCTURE PRIVATE LIMITED	99.99	Subsidiary
RAIMA VENTURES PRIVATE LIMITED	100	Wholly owned Subsidiary
RIDEEMA TOLL PRIVATE LIMITED	100	Wholly owned Subsidiary
BARAMATI TOLLWAYS PRIVATE LIMITED	99.99	Step down Subsidiary
RIDEEMA TOLL BRIDGE PRIVATE LIMITED	100	Wholly owned Subsidiary
MEP NAGZARI TOLL ROAD PRIVATE LIMITED	100	Wholly owned Subsidiary
MEP IRDP SOLAPUR TOLL ROAD PRIVATE LIMITED	100	Wholly owned Subsidiary
RAIMA TOLL ROAD PRIVATE LIMITED	100	Wholly owned Subsidiary
MEP HYDERABAD BANGALORE TOLL ROAD PRIVATE LIMITED	98.90	Subsidiary
MEP CHENNAI BYPASS TOLL ROAD PRIVATE LIMITED	100	Wholly owned Subsidiary
MEP HIGHWAY SOLUTIONS PRIVATE LIMITED	100	Wholly owned Subsidiary
MEP RGSL TOLL BRIDGE PRIVATE LIMITED	100	Wholly owned Subsidiary
RAIMA TOLL & INFRASTRUCTURE PRIVATE LTD	100	Wholly owned Subsidiary
MEP TORMATO PRIVATE LIMITED	100	Wholly owned Subsidiary
MEP ROADS & BRIDGES PRIVATE LIMITED	100	Wholly owned Subsidiary
MHAISKAR TOLL ROAD PRIVATE LIMITED	100	Wholly owned Subsidiary
MEP INFRA CONSTRUCTIONS PRIVATE LIMITED	100	Wholly owned Subsidiary
MEP TOLL & INFRASTRUCTURE PRIVATE LIMITED	100	Wholly owned Subsidiary
MEP INFRAPROJECTS PRIVATE LIMITED	100	Wholly owned Subsidiary

Detailed information on the performance and financial position of subsidiary, associates and joint venture of the Company is covered in the Management Discussion and Analysis Report.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

As reported, Mrs. Preeti Trivedi was appointed as an Additional Director in the category of Non-Executive, Independent Director of the Company, in the meeting of the Board held on 9th September, 2014. Thereafter, at the Extra-ordinary General Meeting of the Company held on 15th September, 2014, the members of the Company appointed Mrs. Preeti Trivedi as an Independent Director under the Companies Act, 2013 for a period of 2 (two) years effective from 9th September, 2014.

As reported, Mr. Vijay Agarwal was appointed as an Additional Director in the category of Non-Executive, Independent Director of the Company, in the meeting of the Board held on 9th September, 2014. Thereafter, at the Extra-ordinary General Meeting of the Company held on 15th September, 2014, the members of the Company appointed Mr. Vijay Agarwal as an Independent Director under the Companies Act, 2013 for a period of 2 (two) years effective from 9th September, 2014.

As reported, Mr. Khimji Pandav was appointed as an Additional Director in the category of Non-Executive, Independent Director of the Company, in the meeting of the Board held on 9th September, 2014. Thereafter, at the Extra-ordinary general meeting of the Company held on 15th September, 2014, the members of the Company appointed Mr. Khimji Pandav as an Independent Director under the Companies Act, 2013 for a period of 2 (two) years effective from 9th September, 2014.

As reported, Mr. Deepak Chitnis was appointed as an Additional Director in the category of Non-Executive, Independent Director of the Company, in the meeting of the Board held on 9th September, 2014. Thereafter, at the Extra-ordinary General Meeting of the Company held on 15th September, 2014, the members of the Company appointed Mr. Deepak Chitnis as an Independent Director under the Companies Act, 2013 for a period of 2 (two) years effective from 9th September, 2014.

Pursuant to section 149(4) of the Companies Act, 2013, every listed company is required to appoint at least one third of its Directors as Independent Directors. The Board already has one half of its Directors in the category of Independent Directors in terms of clause 49 of the Listing Agreement. The Board therefore, in its meeting held on 9th September, 2014 appointed the existing Independent Directors under clause 49 as 'independent directors' pursuant to Companies Act, 2013 as well, for a term of 2 (two) years, effective from 9th September, 2014. The members at the Extra-ordinary General Meeting held on 15th September, 2015, approved the appointment.

Pursuant to section 203 of the Companies Act, 2013, the Company has appointed Mr. M. Sanakaranarayanan as Chief Financial Officer (CFO) of the Company with effect from 9th September, 2014.

The Company already has Mr. Jayant D. Mhaiskar, Vice Chairman & Managing Director and Mr. Shridhar Phadke, Company Secretary as the other Key Managerial Personnel of the Company.

In light of the provisions Section 152 of the Companies Act, 2013, Mr. Dattatray P. Mhaiskar retires by rotation from the Board this year and being eligible, offers himself for re-appointment. The information as required to be disclosed under clause 49 of the Listing Agreement in case of re-appointment of the director is provided in the Notice of the ensuing Annual General Meeting.

Detailed information on the directors is provided in the Corporate Governance Report.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

Internal financial controls with reference to the financial statements were adequate and operating effectively.

## **PRESENTATION OF FINANCIAL STATEMENTS**

The financial statements of the Company for the year ended 31st March, 2015 have been disclosed as per Schedule III to the Companies Act, 2013.

## **CONSOLIDATED FINANCIAL STATEMENTS**

Your directors also present the Audited Consolidated Financial Statements incorporating the duly Audited Financial Statements of the Subsidiaries, and as prepared in compliance with the Companies Act, 2013, applicable Accounting Standards and the Listing Agreement as prescribed by SEBI.

## **STATUTORY DISCLOSURES**

A Statement containing salient features of the financial statement of subsidiaries and also including consortium in prescribed Form AOC-1, is annexed to this Report. A copy of audited financial statements of the said companies will be made available to the Members of the Company, seeking such information at any point of time. The audited financial statements of the said companies will be kept for inspection by any member of the Company at its registered office during business hours.

The same are placed on the Company's website [www.mepinfra.com](http://www.mepinfra.com)

As required under the provisions of section 197(12) of the Companies Act, 2013 read with rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the prescribed particulars are set out in an annexure to the Directors' Report. As per provisions of section 136(1) of the said Act, these particulars will be made available to any shareholder on request.

A Cash Flow Statement for the year 2014-15 is attached to the Balance Sheet.

Pursuant to the legislation 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 introduced by the Government of India, which came into effect from 23rd April, 2013, the Company has a Policy on Prevention of Sexual Harassment at Workplace. There was no case reported during the year under review under the said Policy.

## CORPORATE GOVERNANCE

The Company was listed on 6th May, 2015 and is not mandatory for the Company to present the Corporate Governance Report. However considering good practice, a separate section titled 'Corporate Governance' has been included in this Annual Report, along with the reports on Management Discussion and Analysis and General Shareholder Information. Accordingly no Certificate from the Statutory Auditors is incorporated in this Report.

## AUDITORS

### STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder and in terms of the approval given by the members at the AGM of the Company held on 14th August, 2014, the current Joint Statutory Auditors of the Company, M/s. B S R and Co, Chartered Accountants (Firm Registration Number: 128510W) and M/s. Parikh Joshi & Kothare, Chartered Accountants (Firm Registration No. 107547W) are eligible to hold the office for a period of five years up to 2019, subject to ratification by the members at every subsequent AGM.

However, in view of the internal process of re-alignment the existing Joint Statutory Auditors' firms will be replaced as given below :

M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration Number 101248W/W-100022) replaces M/s. B S R and Co., Chartered Accountants (Firm Registration Number: 128510W) and M/s. Gokhale & Sathe, Chartered Accountants (Firm Registration No.103264W) replaces M/s. Parikh Joshi & Kothare, Chartered Accountants (Firm Registration No. 107547W).

The Company has received the certificates from both the Joint Statutory Auditors viz. M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration Number 101248W/W-100022) and M/s. Gokhale & Sathe, Chartered Accountants (Firm Registration No.103264W), certificate expressing their willingness to be appointed as the Statutory Auditors and that their appointment, if made, at the ensuing Annual General Meeting would be in accordance with the conditions laid down under the Act and Rule 4 of Companies (Audit and Auditors) Rules, 2014.

In view of the above, M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration Number 101248W / W-100022) and M/s. Gokhale & Sathe, Chartered Accountants (Firm Registration No.103264W), being eligible for appointment based on the recommendation of the Audit Committee, the Board of Directors propose their appointment as the Joint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company.

## CLARIFICATION ON AUDITORS QUALIFICATIONS

Para vii(a) of the Auditor's Report:

Our Company has generally been regular in depositing statutory dues. These amounts have subsequently been paid and the management has taken steps to avoid delays.

Para (ix) of the Auditor's Report:

The Management is taking best efforts to service the debts taken by our Company on time. These amounts have been paid subsequently to the date of the Balance Sheet.

## COST AUDITORS

Pursuant to section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment rules, 2014, the cost audit records maintained by the company in respect of its road maintenance activity is required to be audited. Your Directors has on the recommendation of the Audit Committee appointed M/s. R Nanabhoy & Co., Cost Accountants, (Firm registration no 000010) as the Cost Auditor to audit the cost accounts records of the Company for the Financial Year 2014-15 on a remuneration of Rs. 350,000/- p.a. (Rupees Three Lacs Fifty Thousand only). As required under the Companies Act 2013, the remuneration payable to the Cost Auditor is required to be placed before the members in a general meeting for their ratification. Accordingly a resolution seeking member's ratification for the remuneration payable M/s. R Nanabhoy & Co., Cost Accountants, (Firm registration no 000010) is included in the Notice convening the Annual General Meeting.

## SECRETARIAL AUDITOR

The said Secretarial Audit Report does not contain any qualification, reservation but the comments of the Board on the observations of the Secretarial Auditors are given as follows:-

1. The Company had executed a Hypothecation Agreement with HDFC Bank (the Lender) for availing the Vehicle Loan. As per the industry prevailing practices the vehicles purchased were hypothecated to the Bank. As required under the Act, the Company has noted the said Agreement and made the necessary entry in the Register of Charges (CHG-7) as the same was not filed with Registrar of Companies.
2. Taking in to account the commitments made at the MEP Group Level for the CSR activities/projects/programmes which are in progress, and considering the segment the company is in, the planned CSR activities by the Company, where the such activity at times extends beyond the financial year; there is no shortfall as such in the CSR expenditure as compared to the stipulated 2% of the average net profits of the last three financial years. The Company has already taken the necessary steps during the course of time and in fact the CSR spend plus the commitment is higher than the mandated amount at the Group Level.

There are also certain CSR activities/ initiatives undertaken by MEP Group for substantial well-being of the people in the community, which are not getting covered under the CSR report due to the specified format and schedule given under the applicable rules. The CSR Committee confirms that it shall ensure the implementation and monitoring of CSR Policy for the current period.

3. The appointment of the Joint Statutory Auditors were subject to ratification by the members at every AGM. Both the Auditors viz. M/s.Parikh Joshi & Kothare, Chartered Accountants and M/s. B S R and Co, Chartered Accountants had indicated that in view of the internal process of re-alignment; they shall be holding office upto the ensuing AGM. Hence, in the ensuing AGM, the Company intends to appoint M/s Gokhale & Sathe, Chartered Accountants and M/s B S R & Co. LLP, Chartered Accountants, as the Joint Statutory Auditors who will hold the office from the ensuing AGM of the Company till conclusion of next AGM.

## ACKNOWLEDGEMENTS & APPRECIATION

Your Directors wish to express their grateful appreciation for the valuable support and cooperation received from lenders, business associates, banks, financial institutions, shareholders and society at large.

Your Directors take this opportunity to thank Book Running Lead Managers viz. IDFC Securities Limited, Inga Capital Private Limited and IDBI Capital Market Services Limited, Registrar & Transfer Agents viz. Link Intime India Private Limited, Legal Counsels viz. erstwhile Amarchand Mangaldas & Suresh A. Shroff & Co and Luthra & Luthra Law Offices, Maharashtra State Road Development Corporation Limited, National Highways Authority of India and its subsidiaries, Rajasthan State Road Development & Construction Corporation Ltd, Road Infrastructure Development Company of Rajasthan Ltd and Hoogly River Bridge Commissioner. Your Directors also thank Ministry of Corporate Affairs, stakeholders, advocates and solicitors and business associates for their continuous support and look forward to their support.

Your Directors also place on record, their appreciation for the contribution, commitment and dedication of the employees of the Company and its subsidiaries at all levels.

By and on behalf of the Board of Directors

Dattaray P. Mhaiskar  
Chairman

Place: Mumbai

Date: August 13, 2015

Regd. Office:

A-412, boomerang, Chandivali Farm Road,  
Near Chandivali Studio, Andheri East,  
Mumbai – 400 072

## ANNEXED TO THIS REPORT

1	ANNEXURE-A	ANNUAL REPORT ON CSR ACTIVITIES
2	ANNEXURE-B	SECRETARIAL AUDIT REPORT IN FORM MR-3
3	ANNEXURE-C	EXTRACTS OF ANNUAL RETURN FORM MGT-9
4	ANNEXURE-D	STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF RULE 5 (1) AND 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014
5	ANNEXURE-E	A STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES IN PRESCRIBED FORM AOC-1.
6		CORPORATE GOVERNANCE REPORT

## ANNEXURE A

### ANNUAL REPORT ON CSR ACTIVITIES

Brief outline on Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes.

#### Introduction

MEP adheres to the very highest standards of business and ethical behaviour, consistently striving to fulfil social and environmental responsibilities so as to create long-term value for all our customers, investors and the communities we serve.

The Corporate Social Responsibility (CSR) activities of MEP Group are guided by the vision and philosophy of its Mentor, Shri Dattatray P. Mhaikar, who embodied the concept of trusteeship in business and common good, and laid the foundation for ethical, value-based and transparent functioning.

Taking in to account the commitments made at the MEP Group Level for the CSR activities / projects / programmes which are in progress, and considering the segment the company is in, the planned CSR activities by the Company, where such activity at times extends beyond the financial year; there is no shortfall as such in the CSR expenditure as compared to the stipulated 2% of the average net profits of the last three financial years. The Company has already taken the necessary steps during the course of time and in fact the CSR spend plus the commitment is higher than the mandated amount at the Group Level.

There are also certain CSR activities/ initiatives undertaken by MEP Group for substantial well-being of the people in the community, which are not getting covered under the CSR report due to the specified format and schedule given under the applicable rules. The CSR Committee confirms that it shall ensure the implementation and monitoring of CSR Policy for the current period.

#### CSR Policy:

A detailed CSR Policy was framed by the Company with approvals of the CSR Committee and Board taken on 30th April, 2015. The Policy, inter alia, covers the following:

- Philosophy
- Scope
- Aims and Objectives
- Activities under CSR
- Locations/Geography of CSR activities.
- Undertaking CSR activities
- Implementation Mechanism
- Planning and co-ordination
- Budget for CSR activities.
- Monitoring process of CSR policy

CSR Policy gives an overview of the projects or programmes which are proposed to be undertaken by the Company in the coming years.

The CSR Policy is placed on the Company's website [www.mepinfra.com](http://www.mepinfra.com).

#### The composition of the CSR Committee

A Committee of the directors, titled 'Corporate Social Responsibility Committee', was constituted by the Board in its meeting held on 9th September, 2014 with the following members:

- Anuya J. Mhaikar, Chairperson
- Murzash Manekshana
- Deepak Chitnis

#### Responsibility Statement of the CSR Committee

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

## ANNEXURE B

Form No. MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015.

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
**The Members,**  
**MEP INFRASTRUCTURE DEVELOPERS Limited,**  
**U45200MH2002PLC136779**  
412, Boomerang, Chandivali Farm Road,  
Near Chandivali Studio, Andheri East,  
Mumbai 400 072.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MEP INFRASTRUCTURE DEVELOPERS Limited, (hereinafter called as 'the Company'). Secretarial 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 the MEP INFRASTRUCTURE DEVELOPERS Limited 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 authorised 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 31 March 2015, generally complied with the applicable 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 on March 31 2015, 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 and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:-
  - (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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Except for clause (c), for the clauses (a) to (h) above, there are no events which have occurred during the said period which would attract the provisions of these guidelines, hence not applicable,

(vi) As per information provided to us, the laws which specifically apply to the type of activities undertaken by the Company are as:

1. Indian Tolls Act, 1851
2. National Highways Act, 1956
3. National Highways Authority of India Act, 1988
4. Bombay Motor Vehicles Tax Act, 1958
5. Rajasthan Road Development Act, 2002
6. Rajasthan Motor Transport Vehicles Toll Act, 1991

We have also examined the compliance with Secretarial standards issued by the Institute of Company Secretaries of India. Secretarial Standards were not made mandatory by the Government of India, during the period, hence clauses of such standards are not made applicable and hence not commented upon.

Since during the period, the Company's shares are not listed on any stock exchanges, the provisions of the Listing Agreement shall not be applicable.

During the period under review, the Company has generally complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observations:

1. The Company has not intimated to the Register of Companies regarding creation of the charge in respect of vehicle loans availed from HDFC Bank.
2. The Company has complied with the provisions of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility except for the Section 135(5) relating to spending of at least 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of Company's CSR Policy.
3. The Company has not complied with the provisions Section 139 and Rule 6 of the Companies (Audit and Auditors) Rules 2014 with reference to the appointment of Auditors.

We further report that the Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board meetings including Committees thereof, along with agenda and detailed notes on agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the directors.

All the decisions in the Board meetings were carried through by majority while there were no dissenting member's views and hence not 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 audit period, the Company has taken following actions or has entered into events having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- Conversion of the Company into a Public Limited Company with effect from 8th September, 2014.
- The Company filed draft red herring prospectus (DRHP) dated September, 29 2014 with Securities and Exchange Board of India (SEBI).

**Dinesh Joshi**

Partner,

KANJ & Associates,

Company Secretaries,

FCS No. 3752 C P No.: 2246

Place: Pune

Date: August 13, 2015

**To**  
**The Members,**  
**MEP INFRASTRUCTURE DEVELOPERS Limited,**  
U45200MH2002PLC136779  
412, Boomerang, Chandivali Farm Road,  
Near Chandivali Studio, Andheri East,  
Mumbai 400 072.

Our report of even date is to be read along with the letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Whenever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Pune  
Date: August 13, 2015

**Dinesh Joshi**  
Partner,  
KANJ & Associates,  
Company Secretaries,  
FCS No. 3752 C P No.: 2246

## ANNEXURE C

**Form No. MGT-9**

### EXTRACT OF ANNUAL RETURN

**as on the financial year ended on 31/03/2015**

[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:

1.	CIN	U45200MH2002PLC136779
2.	Registration Date	08/08/2002
3.	Name of the Company	MEP INFRASTRUCTURE DEVELOPERS LIMITED
4.	Category / Sub-Category of the Company	Indian Non-Government Company (Company Limited by Shares)
5.	Address of the Registered office and contact details	A 412, BOOMERANG, CHANDIVALI FARM ROAD, NEAR CHANDIVALI STUDIO, ANDHERI (E), MUMBAI-400072
6.	Whether listed company Yes / No	YES
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound LBS Marg, Bhandup(West), Mumbai-400078 Tel:022-25946970/25963838, Fax:022-25946969

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Roads & Highways	995321	100%

#### 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
1.	Ideal Toll & Infrastructure Private Limited 408-409, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U65910MH1998PTC115966	Holding	53.76%	Section 2 (46)
2.	MEP Infrastructure Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45203MH2010PTC199329	Subsidiary	99.99%	Section 2(87)
3.	Raima Ventures Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2010PTC199383	Subsidiary	100%	Section 2(87)
4.	Rideema Toll Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U74999MH2004PTC150238	Subsidiary	100%	Section 2(87)
5.	Baramati Tollways Private Limited 409, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45203MH2010PTC203853	Subsidiary	99.99%	Section 2(87)
6.	Rideema Toll Bridge Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2012PTC237427	Subsidiary	100%	Section 2(87)
7.	MEP Nagzari Toll Road Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45203MH2012PTC237785	Subsidiary	100%	Section 2(87)

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
8.	MEP IRDP Solapur Toll Road Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45208MH2012PTC237854	Subsidiary	100%	Section 2(87)
9.	Raima Toll Road Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2012PTC237838	Subsidiary	100%	Section 2(87)
10.	MEP Hyderabad Bangalore Toll Road Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45203MH2012PTC238390	Subsidiary	98.90%*	Section 2(87)
11.	MEP Chennai Bypass Toll Road Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2013PTC239203	Subsidiary	100%	Section 2(87)
12.	MEP Highway Solutions Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45209MH2012PTC237871	Subsidiary	100%	Section 2(87)
13.	MEP RGSL Toll Bridge Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2012PTC237950	Subsidiary	100%	Section 2(87)
14.	Raima Toll & Infrastructure Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2011PTC212222	Subsidiary	100%	Section 2(87)
15.	MEP Tormato Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45202MH2014PTC257802	Subsidiary	100%	Section 2(87)
16.	MEP Roads & Bridges Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45201MH2014PTC256362	Subsidiary	100%	Section 2(87)
17.	Mhaiskar Toll Road Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2014PTC259325	Subsidiary	100%	Section 2(87)
18.	MEP Infra Constructions Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45203MH2014PTC259333	Subsidiary	100%	Section 2(87)
19.	MEP Toll & Infrastructure Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2014PTC259366	Subsidiary	100%	Section 2(87)
20.	MEP Infraprojects Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2014PTC259616	Subsidiary	100%	Section 2(87)

\*Also holding 20000000 (100%) 12% Non- Cumulative Redeemable Preference Shares.

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category-wise Share Holding

Category code	Category of shareholder	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	
<b>(A)</b>	<b>Promoter</b>									
<b>(1)</b>	<b>Indian</b>									
(a)	Individual/ HUF	47453400	-	47453400	47.453	48400700	-	48400700	43.411	-4.042
(b)	Central Govt	-	-	-	-	-	-	-	-	-
(c)	State Govt(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corp.	51419300	-	51419300	51.419	59940407	-	59940407	53.761	2.342
(e)	Banks / FI	-	-	-	-	-	-	-	-	-
(f)	(specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>		<b>98872700</b>	<b>-</b>	<b>98872700</b>	<b>98.873</b>	<b>108341107</b>	<b>-</b>	<b>108341107</b>	<b>97.172</b>	<b>-1.701</b>
<b>(2)</b>	<b>Foreign</b>									
(a)	NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b)	Other – Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks / FI	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(2)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>		<b>98872700</b>	<b>-</b>	<b>98872700</b>	<b>98.873</b>	<b>108341107</b>	<b>-</b>	<b>108341107</b>	<b>97.172</b>	<b>-1.701</b>
<b>(B)</b>	<b>Public shareholding</b>									
<b>(1)</b>	<b>Institutions</b>									
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-
(b)	Banks/FI	-	-	-	-	-	-	-	-	-
(c)	Central Govt	-	-	-	-	-	-	-	-	-
(d)	State Govt(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	FIs	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(2)</b>	<b>Non-institutions</b>									
(a)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(b)	Individuals	-	1124000	1124000	1.124	-	-	-	-	-1.124
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	3300	3300	0.0033	-	-	-	-	-0.0033
(ii)	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	3153143#	-	3153143#	2.828	2.828
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(d)	Any Other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(2)</b>		<b>-</b>	<b>1127300</b>	<b>1127300</b>	<b>1.127</b>	<b>3153143</b>	<b>-</b>	<b>3153143</b>	<b>2.828</b>	<b>1.701</b>
<b>Total Public Shareholding (B)=(B) (1)+(B)(2)</b>		<b>-</b>	<b>1127300</b>	<b>1127300</b>	<b>1.127</b>	<b>3153143</b>	<b>-</b>	<b>3153143</b>	<b>2.828</b>	<b>1.701</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL- (A)+(B)+(C)+ (D)</b>		<b>98872700</b>	<b>1127300</b>	<b>10000000</b>	<b>100.00</b>	<b>111494250</b>	<b>-</b>	<b>111494250</b>	<b>100.00</b>	<b>-</b>

# Out of the Public Shareholding of 3153143 Equity Shares as mentioned above, 2973143 Equity Shares were held by Executive Director i.e. Mr. Murzash Manekshana and 180000 Equity Shares were held by employees of the Company.

**(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.	Ideal Toll & Infrastructure Private Limited	51419300	51.419	-	59940407	53.761	-	2.342
2.	Dattatray P. Mhaiskar	25222180*	25.222	-	25222180*	22.622	-	-2.600
3.	Jayant D. Mhaiskar	22231220**	22.231	-	22231220**	19.939	-	-2.292
<b>Total</b>		<b>98872700</b>	<b>98.873</b>	<b>-</b>	<b>107393807</b>	<b>96.322</b>	<b>-</b>	<b>-2.550</b>

# Details of Promoters are given as per the Prospectus dated 27th April, 2015.

\*Including 25218780 Equity Shares held jointly with Mrs. Sudha D. Mhaiskar

\*\*Including 11227920 Equity Shares held jointly with Mrs. Anuya J. Mhaiskar

Note: There has been additional allotment of 11494250 shares on 28th May, 2014 due to which there is a change in percentage in case of Sr. (1), (2) and (3)

**(iii) Change in Promoters' Shareholding**

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year		Date wise Increase / (Decrease) in Shareholding during the year		Reason for Increase / (decrease) in Shareholding (e.g. allotment / transfer / bonus / sweat equity etc):	At the End of the year (or on the date of separation, if separated during the year)	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Increase/ (Decrease)			No. of shares	% of total shares of the company
1	Ideal Toll & Infrastructure Private Limited	51419300	51.419	28/05/2014	11494250	Allotment		62913550	56.42
				26/09/2014	(2973143)	Transfer	59940407	59940407	53.76

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year		Date wise Increase / (Decrease) in Shareholding during the year		Reason for Increase / (decrease) in Shareholding (e.g. allotment / transfer / bonus / sweat equity etc):	At the End of the year (or on the date of separation, if separated during the year)	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Increase/ (Decrease)			No. of shares	% of total shares of the company
1	Virendra Dattatray Mhaiskar	3300	0.003	12/09/2014	(3300)	Transfer	-	-	-
2	Ideal Road Builders Private Limited	1124000	1.124	12/09/2014	(1124000)	Transfer	-	-	-
3	Subodh Garud	-	-	22/09/2014	25000	Transfer	25000	25000	0.022
4	Uttam Pawar	-	-	22/09/2014	25000	Transfer	25000	25000	0.022
5	Sameer Apte	-	-	22/09/2014	25000	Transfer	25000	25000	0.022
6	Shridhar Phadke	-	-	22/09/2014	20000	Transfer	20000	20000	0.018
7	M. Sankaranarayanan	-	-	22/09/2014	18000	Transfer	18000	18000	0.016
8	Dinesh S. Padalkar	-	-	22/09/2014	12000	Transfer	12000	12000	0.011
9	Sainath Gurav	-	-	22/09/2014	10000	Transfer	10000	10000	0.008
10	Vilas D. Pradhan	-	-	22/09/2014	10000	Transfer	10000	10000	0.008
11	Arvind Vinze	-	-	22/09/2014	10000	Transfer	10000	10000	0.008
12	Mohan Khandkar	-	-	22/09/2014	8000	Transfer	8000	8000	0.007

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year		Date wise Increase / (Decrease) in Shareholding during the year		Reason for Increase / (decrease) in Shareholding (e.g. allotment / transfer / bonus / sweat equity etc):	At the End of the year (or on the date of separation, if separated during the year)	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Increase/ (Decrease)			No. of shares	% of total shares of the company
1	Dattatray Pandurang Mhaikar	3400	0.003				3400	3400	0.003
2	Dattatray P. Mhaikar Jtly with Sudha D. Mhaikar	25218780	25.219				25218780	25218780	22.619
3	Jayant D. Mhaikar Jtly with Anuya J. Mhaikar	11227920	11.228				11227920	11227920	10.070
4	Jayant Dattatray Mhaikar	11003300	11.003				11003300	11003300	9.869
5	Murzash Manekshana	-	-	26/09/2014	2973143	Transfer	2973143	2973143	2.667
6	Anuya J. Mhaikar	-	-	12/09/2014	1127300	Transfer	-	-	-
				12/09/2014	(180000)	Transfer	947300	947300	0.850
7	Anuya J. Mhaikar Jtly with Jayant D. Mhaikar	-	-	12/09/2014	180000	Transfer	-	-	-
				22/09/2014	(180000)	Transfer	-	-	-
8	Shridhar Phadke	-	-	22/09/2014	20000	Transfer	20000	20000	0.018
9	M. Sankaranarayanan	-	-	22/09/2014	18000	Transfer	18000	18000	0.016

**V. INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs. In Lakhs)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	18,974.07	3,123.78	-	22,097.85
(ii) Interest due but not paid	196.84	-	-	196.84
(iii) Interest accrued but not due	-	29.06	-	29.06
<b>Total (i +ii +iii )</b>	<b>19,170.91</b>	<b>3,152.84</b>	<b>-</b>	<b>22,323.75</b>
Change in Indebtedness during the financial year				
• Addition	29,175.27	5,043.01	-	34,218.28
• Reduction	(8,918.57)	(8,095.85)	-	(17,014.42)
Net Change	20,256.70	(3,052.84)	-	17,203.86
Indebtedness at the beginning of the financial year				
(i) Principal Amount	39,421.24	100.00	-	39,521.24
(ii) Interest due but not paid	6.28	-	-	6.28
(iii) Interest accrued but not due	0.09	-	-	0.09
<b>Total (i +ii +iii )</b>	<b>39,427.61</b>	<b>100.00</b>	<b>-</b>	<b>39,527.61</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

S.No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount in lakhs
		Jayant D. Mhaiskar	Murzash Manekshana	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	90.00	150.00	240.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as % of profit			
	- Others, specify			
	<b>Total</b>	<b>90.00</b>	<b>150.00</b>	<b>240.00</b>
	Ceiling as per the Act			<b>248.84</b>

B Remuneration to other directors:

Particulars of Remuneration	Name of Directors				Total (Rs in Lakhs)
	Deepak Chitnis	Khimji Pandav	Vijay Agarwal	Preeti Trivedi	
1. Independent Directors					
• Fee for attending board / committee meetings	0.25	0.50	0.55	0.25	1.55
• Commission					
• Others, please specify					
<b>Total (1)</b>	<b>0.25</b>	<b>0.50</b>	<b>0.55</b>	<b>0.25</b>	<b>1.55</b>
2. Other Non-Executive Directors					
• Fee for attending board / committee meetings					
• Commission					
• Others, please specify					
<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (B)=(1+2)</b>	<b>0.25</b>	<b>0.50</b>	<b>0.55</b>	<b>0.25</b>	<b>1.55</b>
<b>Total Managerial Remuneration</b>					<b>240.00</b>
Overall Ceiling as per the Act					<b>273.72</b>

**REMUNERATION TO KEY MANAGERIAL PERSONNEL (KMP) OTHER THAN MD/MANAGER/WTD**

S.No	Particulars of Remuneration	Key Managerial Personnel		Total Amount in lakhs
		Company Secretary	Chief Financial Officer	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	13.44	43.65	57.09
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- Others, specify	-	-	-
	<b>Total</b>	<b>13.44</b>	<b>43.65</b>	<b>57.09</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2015.

## ANNEXURE D

### Disclosure pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- A. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase in remuneration during the financial year, ratio of remuneration of Directors to the median remuneration of employees and comparison of remuneration of each KMP against Company's Standalone performance.

Name of Director/ Key Managerial Personnel	Remuneration (₹ in Lacs)	% increase in Remuneration	Ratio of Director's Remuneration to median remuneration	Comparison of remuneration of each KMP against Company's performance	
				% of Turnover	% of Net Profit before tax
<b>Non-Executive Director</b>					
Mr. Dattatray P. Mhaiskar	Nil	N.A.	N.A.	N.A.	N.A.
Mrs. Anuya J. Mhaiskar	Nil	N.A.	N.A.	N.A.	N.A.
Mr. Deepak Chitnis	0.25	N.A.	2.51	N.A.	N.A.
Mr. Khimji Pandav	0.50	N.A.	5.03	N.A.	N.A.
Mr. Vijay Agarwal	0.55	N.A.	5.53	N.A.	N.A.
Mrs. Preeti Trivedi	0.25	N.A.	2.51	N.A.	N.A.
<b>Executive Director</b>					
Mr. Jayant D. Mhaiskar #	90.00	-	904.98	0.10	3.59
Mr. Murzash Manekshana	150.00	(37.50)	1508.30	0.16	5.99
<b>Key Managerial Personnel</b>					
Mr. Shridhar Phadke	13.44	(3.17)	135.11	0.01	0.54
Mr. M. Sankaranarayanan	43.65	27.61	438.91	0.05	1.74

Note: Non-Executive Directors remuneration represents only sitting fees. # Remuneration paid w.e.f 1st July, 2014.

The median remuneration has been worked out on the basis of CTC.

The Requirement and disclosure are given below:

Requirements	Disclosures
The percentage increase in the median remuneration of employees in the financial year	: There is no increase in the median remuneration of employees in the financial year.
The number of permanent employees on the rolls of the Company	: 1566 employees as at 31st March, 2015
The explanation on the relationship between average increase in remuneration and Company performance	: The increase in the average remuneration of employees was in line with the average increase in the Company's revenues and profits.
Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	: The aggregate remuneration of Executive Director and KMP was 0.32 % of turnover and 11.86% of Net Profit (before tax) during financial year.
Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year	: The Company was listed w.e.f 6th May, 2015 hence this is not applicable.
Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer	: The Company was listed w.e.f 6th May, 2015 hence this is not applicable.
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.	: No percentile increase in the salaries of employees during the financial year 2014-15, Managerial Remuneration was paid to the Managing Director from July, 2014. Executive Director has been paid only after obtaining requisite approval.

Requirements	Disclosures
The key parameters for any variable component of remuneration availed by the Directors	There is no variable component of remuneration availed by the Directors.
The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director during the year.	Not Applicable
Affirmation that the remuneration is as per the remuneration policy of the Company	The remuneration paid is in accordance with the remuneration policy of the Company

B. Particulars of Employees whose remuneration exceeded ₹ 60 lacs per annum during the financial year 2014-15.

Sr. No.	Name & Designation	Age	Qualification	Remuneration (₹ in lakhs)	Experience in years	Date of Joining	Previous employment/ Position held of employment
1	Mr. Jayant D. Mhaiskar Vice-Chairman & Managing Director	39 yrs.	Has completed the first year of his Bachelor's Degree in Commerce from KV Pendharkar College of Arts, Science and Commerce.	90.00	17 yrs.	Since Incorporation	N.A.
2	Mr. Murzash Manekshana Executive Director	42 yrs.	Bachelor's Degree in Commerce from University of Mumbai and Chartered Accountant	150.00	21 yrs.	01/11/2012	Please refer Note 1

**Notes:**

- Mr. Murzash Manekshana is currently also a director of Altamount Capital Management Private Limited. Prior to joining our Company, he was associated with Halcyon Resources & Management Private Limited, Prudential Process Management Services (India) Private Limited, Ernst & Young and Arthur Andersen & Associates.
- All appointments are contractual and can be terminated by notice on either side as per the terms of employment.
- Mr. Jayant D. Mhaiskar is related to Mr. Dattatray P. Mhaiskar (Father) and Mrs. Anuya J. Mhaiskar (Wife) who are also Directors in the Company.
- Mr. Jayant D. Mhaiskar is holding 22231220 (19.94% of the Share Capital) which includes 11227920 equity shares held jointly with Mrs. Anuya J. Mhaiskar.

## ANNEXURE E

### Form AOC-1

**(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**

Sl. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiary	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turn-over (Revenue from Operations + Other Income)	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed Dividend	% of share-holding
1	MEP Infrastructure Private Limited	-	-	11,200.00	(34,760.61)	256,539.17	280,099.80	-	39,649.71	(9,062.74)	1,314.67	(7,748.07)	-	99.99%
2	Raima Ventures Private Limited	-	-	1,150.00	(1,787.96)	3,426.87	4,064.83	1,063.30	6,888.24	7.85	867.69	(859.84)	-	100%
3	Rideema Toll Private Limited	-	-	2,500.00	(3,014.06)	5,897.01	6,411.08	3,113.98	-	(723.11)	-	(723.11)	-	100%
4	Baramati Tollways Private Limited	-	-	3,000.00	(2,375.26)	6,909.76	6,285.02	-	599.28	(638.18)	-	(638.18)	-	99.99
5	Rideema Toll Bridge Private Limited	-	-	268.00	310.01	22,914.56	22,336.55	2,090.00	6,548.21	(191.50)	399.92	208.42	-	100%
6	MEP Nagzari Toll Road Private Limited	-	-	64.00	(460.84)	401.28	798.11	0.50	400.81	(153.88)	-	(153.88)	-	100%
7	MEP IRDP Solapur Toll Road Private Limited	-	-	82.00	(106.41)	681.82	706.23	0.02	1,037.02	16.63	5.95	10.68	-	100%
8	Raima Toll Road Private Limited	-	-	930.00	859.45	10,505.14	8,715.69	-	15,972.08	1,268.74	250.06	1,018.68	-	100%
9	MEP Hyderabad Bangalore Toll Road Private Limited	-	-	2,001.00	(1,229.74)	10,862.27	10,091.01	-	13,171.45	(1,414.48)	(9.55)	(1,404.93)	-	98.90%
10	MEP Chennai Bypass Toll Road Private Limited	-	-	400.00	(9,506.69)	3,744.32	12,851.01	-	10,471.84	(4,432.85)	-	(4,432.85)	-	100%
11	MEP Highway Solutions Private Limited	-	-	754.50	502.97	33,723.27	32,465.80	-	4,711.05	610.92	199.96	410.96	-	100%
12	MEP RGSL Toll Bridge Private Limited	-	-	400.00	587.66	5,733.94	4,746.28	48.48	91,706.64	677.39	35.96	621.42	-	100%
13	Raima Toll & Infrastructure Private Limited	-	-	700.00	429.21	7,426.09	6,296.88	-	12,407.63	637.25	208.00	429.25	-	100%
14	MEP Tornato Private Limited	-	-	1.00	(1.19)	0.39	0.58	-	-	(1.19)	-	(1.19)	-	100%
15	MEP Roads & Bridges Private Limited	-	-	1.00	69.42	703.27	632.85	8.53	2,643.09	102.77	33.35	69.42	-	100%
16	Mhaikar Toll Road Private Limited	-	-	1.00	(0.22)	0.83	0.05	-	-	(0.22)	-	(0.22)	-	100%
17	MEP Infra Constructions Private Limited	-	-	1.00	(0.31)	0.83	0.14	-	-	(0.31)	-	(0.31)	-	100%
18	MEP Toll & Infrastructure Private Limited	-	-	1.00	(0.22)	0.83	0.05	-	-	(0.22)	-	(0.22)	-	100%
19	MEP InfraProjects Private Limited	-	-	1.00	(0.21)	0.84	0.05	-	-	(0.21)	-	(0.21)	-	100%

During the financial year, there were no operations in the subsidiaries of the Company viz (i) Mhaikar Toll Road Private Limited (ii) MEP Infra Constructions Private Limited (iii) MEP Toll & Infrastructure Private Limited (iv) MEP Infra Projects Private Limited

### Part 'B': Associates and Joint Ventures

Sl. No.	Name of Associates/Joint Ventures	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiary	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turn-over (Revenue from Operations + Other Income)	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed Dividend	% of share-holding
1	Latest audited Balance Sheet Date	-	-	11,200.00	(34,760.61)	256,539.17	280,099.80	-	39,649.71	(9,062.74)	1,314.67	(7,748.07)	-	99.99%
2	Shares of Associate/Joint Ventures held by the company on the year end	-	-	1,150.00	(1,787.96)	3,426.87	4,064.83	1,063.30	6,888.24	7.85	867.69	(859.84)	-	100%
	No.	-	-	2,500.00	(3,014.06)	5,897.01	6,411.08	3,113.98	-	(723.11)	-	(723.11)	-	100%
	Amount of Investment in Associates/ Joint Venture	-	-	3,000.00	(2,375.26)	6,909.76	6,285.02	-	599.28	(638.18)	-	(638.18)	-	99.99
	Extend of Holding %	-	-	268.00	310.01	22,914.56	22,336.55	2,090.00	6,548.21	(191.50)	399.92	208.42	-	100%
3	Description of how there is significant influence	-	-	64.00	(460.84)	401.28	798.11	0.50	400.81	(153.88)	-	(153.88)	-	100%
4	Reason why the associate/joint venture is not Consolidated	-	-	82.00	(106.41)	681.82	706.23	0.02	1,037.02	16.63	5.95	10.68	-	100%
5	Networth attributable to Shareholding as per latest audited Balance Sheet	-	-	930.00	859.45	10,505.14	8,715.69	-	15,972.08	1,268.74	250.06	1,018.68	-	100%
6	Profit / (Loss) for the year	-	-	2,001.00	(1,229.74)	10,862.27	10,091.01	-	13,171.45	(1,414.48)	(9.55)	(1,404.93)	-	98.90%
	i. Considered in Consolidation	-	-	400.00	(9,506.69)	3,744.32	12,851.01	-	10,471.84	(4,432.85)	-	(4,432.85)	-	100%
	ii. Not Considered in Consolidation	-	-	754.50	502.97	33,723.27	32,465.80	-	4,711.05	610.92	199.96	410.96	-	100%
		-	-	400.00	587.66	5,733.94	4,746.28	48.48	91,706.64	677.39	35.96	621.42	-	100%
		-	-	700.00	429.21	7,426.09	6,296.88	-	12,407.63	637.25	208.00	429.25	-	100%
		-	-	1.00	(1.19)	0.39	0.58	-	-	(1.19)	-	(1.19)	-	100%
		-	-	1.00	69.42	703.27	632.85	8.53	2,643.09	102.77	33.35	69.42	-	100%
		-	-	1.00	(0.22)	0.83	0.05	-	-	(0.22)	-	(0.22)	-	100%
		-	-	1.00	(0.31)	0.83	0.14	-	-	(0.31)	-	(0.31)	-	100%
		-	-	1.00	(0.22)	0.83	0.05	-	-	(0.22)	-	(0.22)	-	100%
		-	-	1.00	(0.21)	0.84	0.05	-	-	(0.21)	-	(0.21)	-	100%

JAYANT D. MHAISKAR  
MANAGING DIRECTOR  
DIN: 00716351

ANUJA J. MHAISKAR  
DIRECTOR  
DIN: 00707650

M. SANKARANARAYANAN  
CHIEF FINANCIAL OFFICER

SHRIDHAR PHADKE  
COMPANY SECRETARY

By and on behalf of the Board of Directors of  
MEP INFRASTRUCTURE DEVELOPERS LIMITED  
(CIN: U45200MH2002PLC136799)

# Report on Corporate Governance

Your Company was listed on 6th May, 2015, and it is not mandatory for the Company to present the Corporate Governance Report. However considering the good practice and the Listing Agreement with stock exchanges your Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2015.

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is a combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organisation. Good Corporate Governance leads to long-term shareholder value and enhances interests of all stakeholders.

Your Company's philosophy on Corporate Governance is guided by strong emphasis on transparency, accountability, responsibility, fairness, integrity, consistent value systems and delegation across all facets of its operations leading to sharply focused and operationally efficient growth.

The Board of Directors fully supports and endorses Corporate Governance practices as enunciated in Clause 49 of the Listing Agreement as applicable from time to time.

## 2. BOARD OF DIRECTORS

### Composition:

The Company has an optimum combination of Executive, Non-Executive and Independent Directors. The composition of your Company's Board which comprises of 8 Directors is in conformity with the Companies Act, 2013 and also Clause 49 of the Listing Agreement with the Stock Exchanges.

None of the Independent Directors have any material pecuniary relationships or transactions with the Company.

Details of composition of the Board, category, attendance of Directors at the Board Meetings and last Annual General Meeting (AGM), number of other Directorships and Committee Memberships as on 31st March, 2015 are given below:

Name, Designation and DIN of Directors	Category	No. of Board Meetings Attended	No. of Directorships held in other Companies #	Attendance at last AGM
Mr. Dattatray P. Mhaiskar (DIN 00309942) Chairman	NED	28	14	Yes
Mr. Jayant D. Mhaiskar (DIN 00716351) Vice- Chairman & Managing Director	ED	28	20	Yes
Mrs. Anuya J. Mhaiskar (DIN 00707650) Director	NED	28	17	Yes
Mr. Murzash Manekshana (DIN 00207311) Executive Director	ED	28	15	Yes
Mr. Deepak Chitnis (DIN 01077724) Independent Director	NED (I)	3	2	-
Mr. Khimji Pandav (DIN 01070944) Independent Director	NED (I)	3	NIL	-
Mr. Vijay Agarwal (DIN 00058458) Independent Director	NED (I)	6	13	-
Mrs. Preeti Trivedi (DIN 00179479) Independent Director	NED (I)	3	2	-

Note:

- (i) ED - Executive Director/NED (I) - Non-Executive Director (Independent)/NED-Non-Executive Director.
- (ii) # Includes Directorship in Private Limited Companies, Companies under Section 8 and Alternate Directorship.
- (iii) As on 31st March, 2015, Mr. Dattatray P. Mhaiskar, Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar are related to each other. No other Directors are related inter se.
- (iv) All the NED(I) were appointed after the date of last AGM.

**Number of Board Meetings:**

During the year, 28 (Twenty Eight) Board Meeting were held and the details are given below:

Sr.No	Date	Board Strength	No. of Directors present	Sr.No	Date	Board Strength	No. of Directors present
1	09/04/2014	4	4	15	18/09/2014	8	5
2	29/04/2014	4	4	16	19/09/2014	8	5
3	21/05/2014	4	4	17	22/09/2014	8	5
4	28/05/2014	4	4	18	26/09/2014	8	5
5	31/05/2014	4	4	19	16/10/2014	8	4
6	23/06/2014	4	4	20	27/10/2014	8	4
7	30/06/2014	4	4	21	17/11/2014	8	4
8	08/07/2014	4	4	22	15/12/2014	8	5
9	14/07/2014	4	4	23	20/01/2015	8	4
10	11/08/2014	4	4	24	02/02/2015	8	4
11	16/08/2014	4	4	25	14/02/2015	8	8
12	28/08/2014	4	4	26	27/02/2015	8	4
13	09/09/2014	8	7	27	16/03/2015	8	4
14	12/09/2014	8	5	28	25/03/2015	8	5

**Code of Conduct:**

The Board has laid down a Code of Conduct for all Board members and Senior Managerial personnel of the Company. The Code of Conduct is available on the web site of the Company at [www.mepinfra.com](http://www.mepinfra.com).

All the Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct and a declaration to that effect signed by the Vice Chairman and Managing Director has been obtained.

Profile of member of the Board of Directors being appointed/re-appointed:

**Mr. Dattatray P. Mhaiskar**

Mr. Dattatray P. Mhaiskar is the Chairman and Non-Executive, Non-Independent Director of our Company. He is one of the founding Directors and Promoter of our Company. He holds a Diploma in Civil Engineering from Sir Cursow Wadia Institute of Electrical Technology, Pune. He has over 47 years of experience in Construction and Infrastructure industry.

**Other Directorships:**

Sr. No	Name of the Company	Position
1	SAGAON ENERGY EQUIPMENT PRIVATE LIMITED	Director
2	IDEAL ROAD BUILDERS PRIVATE LIMITED	Whole-time director
3	IRB INFRASTRUCTURE PRIVATE LIMITED	Director
4	NKT ROAD AND TOLL PRIVATE LIMITED	Director
5	MMK TOLL ROAD PRIVATE LIMITED	Director
6	MHAISKAR INFRASTRUCTURE PRIVATE LIMITED	Director
7	THANE GHODBUNDER TOLL ROAD PRIVATE LIMITED	Director
8	IRB INFRASTRUCTURE DEVELOPERS LIMITED	Director
9	IDEAL TOLL & INFRASTRUCTURE PRIVATE LIMITED	Director
10	GLOBAL SAFETY VISION PRIVATE LIMITED	Director
11	IDEAL ENERGY PROJECTS LIMITED	Whole-time director
12	MEP INFRASTRUCTURE PRIVATE LIMITED	Director
13	CHITPAVAN FOUNDATION	Additional director
14	IEPL POWER TRADING COMPANY PRIVATE LIMITED	Director

### 3. COMMITTEES OF THE BOARD

The Board of Directors has constituted 5 (five) Committees i.e. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The roles and responsibilities assigned to these Committees are covered under the terms of reference approved by the Board and are subject to review by the Board from time to time. The minutes of the meetings of Audit Committee and Nomination and Remuneration Committee are placed before the Board for their information and noting. The details of some of these committees with regard to the composition, terms of reference, number of meetings and related attendance are given below:

#### I. AUDIT COMMITTEE:

Composition, meetings and attendance during the year

During the financial year 2014-15, 3 (Three) meetings of the Audit Committee were held on 19<sup>th</sup> September, 2014, 15<sup>th</sup> December, 2014 and 14<sup>th</sup> February, 2015. The details of composition of the Committee and their attendance at the meetings are given below:

Name	Designation	Category	No. of meetings attended
Mr. Khimji Pandav	Chairman	NED (I)	3
Mr. Jayant D. Mhaskar	Member	ED	3
Mr. Vijay Agarwal	Member	NED (I)	3

The meeting of Audit Committee is also attended by Whole-time Director, Chief Financial Officer, Joint Statutory and Internal Auditors as special invitees. The Company Secretary acts as a secretary to the Audit Committee. Minutes of the Audit Committee are placed and discussed in the next meeting of the Board. Members of the Audit Committee have requisite Financial and Management expertise and have held or hold senior positions in reputed Organizations.

#### Terms of reference:

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement and its terms of reference include besides other terms as may be referred by the Board of Directors, from time to time. The Audit Committee has also powers inter alia to investigate any activity within its terms of reference and to seek information from any employee of the Company and seek legal and professional advice.

#### II. NOMINATION AND REMUNERATION COMMITTEE:

Composition, meetings and the attendance during the year

During the financial year 2014-15, no meeting of the committee was held. The details of composition of the Committee is given below:

Name	Designation	Category
Mr. Deepak Chitnis	Chairman	NED (I)
Mr. Dattatray P. Mhaskar	Member	NED
Mrs. Anuya J. Mhaskar	Member	NED
Mrs. Preeti Trivedi	Member	NED (I)

#### Terms of reference:

The terms of reference of this committee, inter alia covers all the matters specified under the scope and function of the Nomination and Remuneration Committee and is in accordance with Section 178 of the Companies Act, 2013 which is as follows :

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identify persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. Our company shall disclose the remuneration policy and the evaluation criteria in its Annual report;
- Analysing, monitoring and reviewing various human resource and compensation matters;
- Determining our Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

- Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; or
  - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003; and
- Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee.

#### **POLICY FOR REMUNERATION TO DIRECTORS/KEY MANAGERIAL PERSONNELS**

1. Remuneration to Managing Director/Whole-time Directors:
  - a) The Remuneration/Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
  - b) The Remuneration and Nomination Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Whole-time Directors.
2. Remuneration to Non-Executive/Independent Directors:
  - a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013.
  - b) All the remuneration of the Non-Executive/ Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
  - c) An Independent Director shall not be eligible to get Stock Options and shall also not be eligible to participate in any share based payment schemes of the Company.
  - d) Any remuneration paid to Non-Executive/ Independent Directors for services rendered which are of professional nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
    - i. The Services are rendered by such Director in his capacity as the professional; and
    - ii. In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.
3. Remuneration to Key Managerial Personnel:
  - a) The remuneration to Key Managerial Personnel shall consist of fixed pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
  - b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time in accordance with the Company's Policy.

The details of remuneration are given in form MGT-9 which forms part of the Directors Report.

A brief of the Remuneration paid to Executive Directors and Non-Executive Directors is given below:

**(i) Executive Directors:**

Following is the Remuneration paid to the Executive Directors for the Financial Year ended 31st March, 2015:

(Rs.in lacs)

Name	Salary including HRA	Perquisites	Total
Mr. Jayant D. Mhaiskar	90.00	-	90.00
Mr. Murzash Manekshana	150.00	-	150.00

**(ii) Non-Executive Directors:**

The Company had the following Non-Executive Directors on the Board who are also holding Shares of the Company.

Name	No. of Shares held	% of total share capital
Mr. Dattatray P. Mhaiskar #	25222180	22.62
Mrs. Anuya J. Mhaiskar	947300	0.85

# including 25218780 Equity Shares held jointly with Mrs. Sudha D. Mhaiskar

No Sitting Fees was paid to the Non-Executive Directors. The details of sitting fees paid to the Independent Directors for the year ended 31st March, 2015 are described in Extracts of Annual Return in Form MGT-9.

**III. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

Composition, meetings and the attendance during the year

During the financial year 2014-15, no meeting of Stakeholders' Relationship Committee was held. The details of composition of the Committee are given below:

Name	Designation	Category
Mr. Dattatray P. Mhaiskar	Chairman	NED
Mr. Jayant D. Mhaiskar	Member	ED
Mr. Murzash Manekshana	Member	ED

Mr. Shridhar Phadke the Company Secretary of the Company is the Compliance Officer.

**Terms of reference:**

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013. This Committee is responsible for the redressal of shareholder grievances. The terms of reference of the Stakeholders' Relationship Committee of our Company include the following:

- Redressal of shareholders'/investors' grievances;
- Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Non-receipt of declared dividends, balance sheets of our Company or any other documents or information to be sent by our Company to its shareholders; and
- Carrying out any other function as prescribed under in the Equity Listing Agreement.

**Complaints received and redressed by the Company during the financial year:**

During the year, no Complaints have been received from the Stakeholders.

## 4. GENERAL BODY MEETINGS

A. Details of the Annual General Meetings held during the preceding 3 years and Special Resolutions passed thereat are given below:

FY	Venue	Date & Time	Details of Special Resolution
2013-14	A-412, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai -400072	14/08/2014 at 11.00 a.m.	(i) Consent to borrow upto Rs.1500 Crores. (ii) Consent for mortgaging and/ or charging all immovable and movable properties of the Company upto limit of Rs. 1500 crores. (iii) Approval of payment of Remuneration to Mr. Jayant D. Mhaiskar, Vice-Chairman and Managing Director. (iv) Approval of payment of Remuneration to Mr. Murzash Manekshana, Whole-time Director.
2012-13	410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai -400072	27/09/2013 at 3.30 p.m.	(i) Confirmation of Mr. Murzash Manekshana as Director.
2011-12	410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai -400072	13/7/2012 at 11.00 a.m.	No Special Resolution was passed.

B. Postal Ballot:

No resolution was passed through Postal Ballot during the Financial Year 2014-15. None of the business proposed to be transacted in the ensuing Annual General Meeting require passing of resolution through Postal Ballot.

## 5. DISCLOSURES

### i. Strictures and Penalties:

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as the regulations and guidelines of SEBI and other regulatory authorities. Consequently, no penalties were imposed or strictures passed against the Company by SEBI, Stock Exchanges or any other statutory authorities on any matter relating to capital markets since listing of its securities.

### ii. Compliance with Accounting Standards:

In preparation of the Financial Statements, the Company has followed the Accounting Standards applicable to the Company.

### iii. CEO/CFO Certification:

Vice Chairman and Managing Director and Chief Financial Officer have furnished the requisite Certificates to the Board of Directors as required under the Listing Agreement.

### iv. Internal control system and their adequacy:

The Company has adequate internal control procedures commensurate with its size and nature of business. The Company has appointed Internal Auditor who audits the adequacy and effectiveness of the internal controls as laid down by the management and suggest improvements.

The Audit Committee of the Board of Directors periodically review the audit plans, internal audit reports and adequacy of internal controls and risk management.

### v. Related Party Transactions:

The Company did not enter into any materially significant related party transactions, which had potential conflict with the interest of the Company at large. The register of contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.

Transactions with the related parties are disclosed under Schedule 26.10 to the financial statements in the Annual Report.

**vi. Risk Management:**

The Company has defined and drafted a Risk Management Policy and has also set up a core group, which assesses the risks and lays down the procedure for minimization of the risks. The above will facilitate not only risk assessment and timely rectification but also help in minimization of risk associated with any strategic, operational, financial and compliance risk across all business operations.

**vii. Vigil Mechanism (Whistle Blower Policy):**

The Company has a vigil mechanism called "Whistle Blower Policy" with a view to provide a mechanism for Directors and employees of the Company to raise concerns of any violations of any legal or regulatory requirement, incorrect or misrepresentation of any financial statement and reports etc.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

All employees have been provided direct access to the Audit committee. Further, the details of the policy are also posted on the website of the Company viz. [www.mepinfra.com](http://www.mepinfra.com).

The Company has complied with all the mandatory requirement of Clause 49 of the Listing Agreement entered into with National Stock Exchange of India Limited and BSE Limited.

The status of adoption of the non-mandatory requirements of Clause 49 of the Listing Agreement is as under:

**i. Non-Executive Chairman's Office:**

The Chairman of the Company is the Non-Executive Chairman and hence, this provision is not applicable.

**ii. Shareholders Rights:**

The complete Annual Report is sent to each and every Shareholder of the Company.

**iii. Audit Qualifications:**

Remarks and reply on the Audit qualifications are captured in the Directors Report.

**iv. Reporting of Internal Auditor:**

The Internal Auditor of the Company reports to the Chairman of the Audit Committee and has direct access to the Audit Committee.

## 6. MEANS OF COMMUNICATION

The Company recognizes the importance of two way communication with shareholders and of giving a proper reporting of results and progress and responds to questions and issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions in person at the Annual General Meeting.

- i. Website: Comprehensive information about the Company, its business and operations and investors information can be viewed at the Company's website [www.mepinfra.com](http://www.mepinfra.com).
- ii. Financial Results: The quarterly, half-yearly and annual results will be regularly posted by the Company on its website. These will also be submitted to the Stock Exchanges in accordance with the Listing Agreement and will also published in one English daily newspaper and in one Marathi (regional language) newspaper within 48 hours of approval thereof.
- iii. Annual Report: Annual report containing inter alia audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereof.
- iv. Corporate Filing: Post the date of Listing of its securities, announcements, Quarterly Results, Shareholding Pattern etc. of the Company will be regularly filed by the Company with National Stock Exchange of India Limited and BSE Limited and will also be available on the website of the Company.

## 7. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	
- Day	Wednesday
- Date	23 <sup>rd</sup> September, 2015
- Time	11:30 a.m.
- Venue	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018
Financial year	1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015
Date of Book Closure	19 <sup>th</sup> September, 2015 to 23 <sup>rd</sup> September, 2015 (both days inclusive)
Financial Results Calendar:	
- First Quarter results by	14 <sup>th</sup> August, 2015 (already published)
- Second Quarter results by	14 <sup>th</sup> November, 2015
- Third Quarter results by	14 <sup>th</sup> February, 2016
- Fourth Quarter results by	29 <sup>th</sup> May, 2016
Listing on Stock Exchanges	National Stock Exchange of India Limited (NSE) (Trading Symbol-MEP) BSE Limited (BSE) (Scrip Code -539126)
Corporate Identification Number (CIN)	U45200MH2002PLC136779

Note: Annual Listing Fees for the year 2015-16 has been paid to BSE and NSE.

## 8. STOCK MARKET DATA

Your Company was listed on 6<sup>th</sup> May, 2015. Hence, the data for the period of this Report shall not be applicable.

## 9. STOCK PERFORMANCE

Your Company was listed on 6<sup>th</sup> May, 2015. Hence, the data for the period of this Report shall not be applicable.

## 10. REGISTRARS AND SHARE TRANSFER AGENTS FOR SHARES

Link Intime India Private Limited, C-13 Pannalal Silk Mills Compound, LBS Road, Bhandup West, Mumbai 400 078 Tel: +91 22 25946970 and Fax: +91 22 25946969 are acting as Registrar & Share Transfer Agents (R&T) for handling the shares related matters both in Physical & Dematerialized mode. Shareholders are advised to send all correspondence to the RTA.

However for the convenience of the shareholders documents relating to shares received by the Company are forwarded to the RTA for necessary action thereon.

## 11. SHARE TRANSFER SYSTEM

Presently, the Share Transfers which are received in physical form are processed by the Company and Registrars and Share Transfer Agents (RTA) and approved by the Board of Directors in their meeting and the share certificates are returned within a period of 10 to 15 days from the date of lodgement, subject to the transfer instrument being valid and complete in all respects.

## 12. RECONCILIATION OF SHARE CAPITAL AUDIT

A Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and 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 dematerialised form (held with NSDL and CDSL).

### 13. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2015

Your Company was listed on 6th May, 2015. Hence, the data for the period of this Report shall not be applicable.

### 14. CATEGORY OF SHAREHOLDING AS ON 31ST MARCH, 2015

Category of Shareholder	Total No. of Shares	% to total No. of Shares
(A) Promoter and Promoter Group		
(i) Individuals	48400700	43.41
(ii) Bodies Corporate	59940407	53.76
Total (A):	108341107	97.17
(B) Public Shareholding		
(i) Financial Institutions / Banks	-	-
(ii) Foreign Institutional Investors	-	-
(iii) Bodies Corporate	-	-
(iv) Individuals	3153143	2.83
(v) Non-Resident (Non-Rep.)	-	-
(vi) Non-Resident (Rep.)	-	-
(vii) Trust	-	-
Total (B):	3153143	2.83
Total Shareholding = (A) + (B)	111494250	100.00

Note: Public Shareholding of 3153143 Equity Shares as mentioned above consists of 2973143 Equity Shares held by Executive Director i.e. Mr. Murzash Manekshana and 180000 Equity Shares held by employees of the Company.

### 15. DEMATERIALISATION OF SHARES

The Company's Equity Shares are held in dematerialised form by National Securities Depository Ltd. (NSDL) and Central Depository Services India Ltd. (CDSL) under ISIN No INE776I01010. As on 31st March, 2015, 100% of the total shares of the Company have been dematerialised. The Shareholders holding shares in physical form are requested to dematerialize their shares as the Company's shares are required to be compulsorily traded at the stock exchanges in dematerialized form only. The shares of the Company are regularly traded at the National Stock Exchange of India Limited and the BSE Limited.

### 16. SUBSIDIARY COMPANY / CONSORTIUM

The Company has one material unlisted Private Limited Subsidiary and 18 (Eighteen) other Subsidiaries and also one consortium. The minutes of all the subsidiaries of the Company are placed before the Board of Directors of the Company.

### 17. ADDRESS FOR CORRESPONDENCE

Registered Office	A-412, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri (E), Mumbai - 400072
Telephone Number	(91 22) 6120 4800
Fax Number	(91 22) 6120 4804
E-mail :	grivences@mepinfra.com

## 18. GREEN INITIATIVE

Your Company is concerned about the environment and utilises natural resources in a sustainable way.

The Ministry of Corporate Affairs (MCA), Government of India, through its circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011, respectively has allowed companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance.

Recognising the spirit of the circular issued by the MCA, we henceforth propose to send documents like Notice convening the General Meetings, Financial Statements, Directors' Report, Auditors Report and others to the mail address provided by you with the relevant depositories.

We request you to update your mail address with your depository participants to ensure that the Annual Report and other documents reach you on your preferred mail.

## 19. SEBI COMPLAINTS

The investor complaints are processed in a centralised web based complaints redress system. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. Your Company being the listed entity from May 6, 2015 intend to and shall take all the necessary steps to resolve the complaints.

## 20. SECRETARIAL DEPARTMENT

The Company's Secretarial Department headed by the Company Secretary is situated at the Registered Office mentioned above. Shareholders/Investors may contact the Company Secretary for any assistance they may need.

# Independent Auditor's Report

To the Members of  
MEP Infrastructure Developers Limited

## REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of MEP Infrastructure Developers Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## MANAGEMENT'S RESPONSIBILITY FOR THE 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## AUDITOR'S RESPONSIBILITY

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, and its profit and its cash flows for the year ended on that date.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26.1 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B S R and Co**  
Chartered Accountants  
Firm's Registration No: 128510W

For **Parikh Joshi & Kothare**  
Chartered Accountants  
Firm's Registration No: 107547W

**Vijay Mathur**  
Partner  
Membership No: 046476

**Yatin R. Vyavaharkar**  
Partner  
Membership No: 033915

Mumbai  
August 4, 2015

Mumbai  
August 4, 2015

# Annexure to the Independent Auditors' Report - March 31, 2015

## (Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during this year and no material discrepancies were noticed on such verification.
- (ii) The Company is engaged in toll collection business. Accordingly, it does not hold any physical inventory. Thus, paragraph 4(ii) of the Order is not applicable to the Company during the year.
- (iii) The Company has granted loans to twelve companies covered in the register maintained under Section 189 of the Act.
- (a) In the case of the loans granted to the companies listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. There is no principal amount due for payment during the year.
- (b) There is no overdue amount of more than rupees one lakh in respect of loans granted to the companies listed in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, except for certain services rendered by the Company which as explained to us are for the specialized requirements of the buyers and for which suitable alternative sources are not available to obtain comparative quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and with regard to the sale of services. The Company does not have any purchase of inventory and sale of goods during the year. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us and, on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, wealth tax service tax, value added tax and other material statutory dues have been generally regularly deposited with the appropriate authorities, except for dues of income tax, in which there have been significant delays in few instances. According to the information and explanations given to us, the Company does not have any dues on account of customs duty and excise duty.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income-tax, sales-tax, wealth tax, service tax, value added tax and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax and service tax which have not been deposited with the appropriate authorities on account of any disputes except for the following:

Name of the Statute	Nature of the Dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	8,171.18	2007-08 to 2011-12	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)

- (c) According to the information and explanation given to us, there are no amounts that are required to be transferred to the investor education and protection fund by the Company.

- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayments of dues to its bankers or financial institutions except for principal amount of loan due to banks ranging from ₹ 20.00 lakhs to ₹ 3,749.34 lakhs which is overdue for a period ranging from 1 day to 31 days and for interest on loan due to banks ranging from ₹ 6.48 lakhs to ₹ 61.74 lakhs which is overdue for a period ranging from 2 days to 29 days. The amounts as mentioned above have been repaid on various dates during the year and also subsequent to the year end.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not, prima facie, prejudicial to the interest of the Company.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were raised.
- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **B S R and Co**  
Chartered Accountants  
Firm's Registration No: 128510W

For **Parikh Joshi & Kothare**  
Chartered Accountants  
Firm's Registration No: 107547W

**Vijay Mathur**  
Partner  
Membership No: 046476

**Yatin R. Vyavaharkar**  
Partner  
Membership No: 033915

Mumbai  
August 4, 2015

Mumbai  
August 4, 2015

# Balance Sheet

as at March 31, 2015

(₹ in Lakhs)

	Notes	31 March 2015	31 March 2014
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	11,149.43	10,000.00
Reserves and surplus	4	14,716.25	11,750.56
		<b>25,865.68</b>	21,750.56
<b>Non-current liabilities</b>			
Long-term borrowings	5	16,603.56	2,835.75
Other Long-term liabilities	6	12,001.18	-
Long-term provisions	7	140.68	96.66
		<b>28,745.42</b>	2,932.41
<b>Current liabilities</b>			
Short-term borrowings	8	17,843.85	10,637.81
Trade payables	9	5,128.20	2,932.29
Other current liabilities	10	8,501.23	9,352.65
Short-term provisions	7	32.74	25.47
		<b>31,506.02</b>	22,948.22
<b>TOTAL</b>		<b>86,117.12</b>	47,631.19
<b>II ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
- Tangible fixed assets	11	1,129.29	1,487.75
Non-current investments	12	20,963.85	7,087.40
Deferred tax assets (net)	13	239.32	99.20
Long-term loans and advances	14	31,025.95	16,108.56
Other non-current assets	15	1,237.06	389.60
		<b>54,595.47</b>	25,172.51
<b>Current assets</b>			
Trade receivables	16	3,943.82	2,251.26
Cash and bank balances	17	3,834.30	2,758.46
Short-term loans and advances	18	19,217.25	15,828.58
Other current assets	19	4,526.28	1,620.38
		<b>31,521.65</b>	22,458.68
<b>TOTAL</b>		<b>86,117.12</b>	47,631.19
<b>Significant accounting policies</b>	2		
<b>Notes to the financial statements</b>	3-26		
The notes referred to above form an integral part of the financial statements.			

As per our report of even date attached.

**For B S R and Co**  
Chartered Accountants  
Firm's Registration No: 128510W

**For Parikh Joshi & Kothare**  
Chartered Accountants  
Firm's Registration No: 107547W

For and on behalf of the Board of Directors of  
MEP Infrastructure Developers Limited  
CIN: U45200MH2002PLC136779

**Vijay Mathur**  
Partner  
Membership No: 046476

**Yatin R. Vyavaharkar**  
Partner  
Membership No: 033915

**Jayant D. Mhaikar**  
Managing Director  
DIN: 00716351

**Anuya J. Mhaikar**  
Director  
DIN: 00707650

Mumbai  
Date : August 4, 2015

Mumbai  
Date : August 4, 2015

**M. Sankaranarayanan**  
Chief Financial Officer

**Shridhar Phadke**  
Company Secretary

Mumbai  
Date : August 4, 2015

# Statement of Profit and Loss

for the year ended March 31, 2015

(₹ in Lakhs)

	Notes	31 March 2015	31 March 2014
<b>Income</b>			
Revenue from operations	20	90,719.94	48,666.98
Other income	21	2,567.63	1,271.69
<b>Total revenue</b>		<b>93,287.57</b>	49,938.67
<b>Expenses</b>			
Operating and maintenance expenses	22	82,307.46	43,154.75
Employee benefits	23	2,817.75	1,785.34
Depreciation	11	622.97	262.55
Finance costs	24	3,376.13	2,679.10
Other expenses	25	1,629.02	1,538.61
<b>Total expenses</b>		<b>90,753.33</b>	49,420.35
<b>Profit before tax, before prior period items</b>		<b>2,534.24</b>	518.32
Prior period expenses (net)	26.12	29.24	98.75
<b>Profit before tax</b>		<b>2,505.00</b>	419.57
<b>Tax expenses</b>			
Current tax			
- Current year		1,030.00	221.79
- Prior period tax		-	(16.35)
Deferred tax (credit)	13	(140.12)	(30.73)
<b>Profit after tax</b>		<b>1,615.12</b>	244.86
<b>Earnings per equity share</b>			
- Basic and diluted	26.5	<b>1.47</b>	0.24
<b>(Nominal value per share ₹ 10)</b>			
<b>Significant accounting policies</b>	2		
<b>Notes to the financial statements</b>	3-26		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

**For B S R and Co**  
Chartered Accountants  
Firm's Registration No: 128510W

**For Parikh Joshi & Kothare**  
Chartered Accountants  
Firm's Registration No: 107547W

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Mumbai  
Date : August 4, 2015

Mumbai  
Date : August 4, 2015

**M. Sankaranarayanan**  
Chief Financial Officer

**Shridhar Phadke**  
Company Secretary

Mumbai  
Date : August 4, 2015

# Cash Flow Statement

for the year ended 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>Cash flows from operating activities</b>		
<b>Net profit before tax</b>	2,505.00	419.57
Adjustments:		
Depreciation	622.97	262.55
(Profit) / Loss on sale of fixed assets	(16.63)	28.59
Interest income	(2,545.68)	(1,143.17)
Dividend income	(0.69)	(0.19)
Provision for wealth tax	2.61	2.80
Fixed assets written off	-	1.86
Finance cost	3,376.13	2,679.10
Provisions no longer required written back	-	(122.68)
<b>Operating profit before working capital changes</b>	<b>3,943.71</b>	2,128.43
<b>Adjustments for movements in working capital</b>		
(Increase)/ Decrease in loans and advances	(16,947.81)	(2,236.63)
(Increase)/ Decrease in trade receivables	(1,692.56)	286.63
(Increase)/ Decrease in other current assets	(1,496.03)	-
Increase/ (Decrease) in trade payables	2,195.91	1,379.23
Increase/ (Decrease) in provisions	51.47	(11.33)
Increase/ (Decrease) in other long term liabilities	13,350.00	-
Increase/ (Decrease) in other current liabilities	1,569.76	(134.19)
<b>Cash used in operations</b>	<b>974.45</b>	1,412.14
Income taxes paid	(2,452.83)	(339.51)
<b>Net cash (used in) /generated from operating activities</b>	<b>(A) (1,478.38)</b>	1,072.63
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(281.52)	(701.78)
Proceeds from sale of fixed assets	33.64	78.61
Investment of fixed deposits	(4,848.21)	(2,653.85)
Loans and advances to subsidiaries and enterprises over which significant influence is exercised by key management personnel	(24,870.86)	(2,713.37)
Repayment of loans and advances by subsidiaries and enterprises over which significant influence is exercised by key management personnel	14,072.35	2,367.00
Redemption / maturity of fixed deposits	1,863.86	2,967.71
Sale of investment in subsidiaries and enterprises over which significant influence is exercised by key management personnel	160.46	300.00
Investment in subsidiaries and enterprises over which significant influence is exercised by key management personnel	(3,176.63)	(2,440.05)
Interest received	1,117.23	419.11
Dividend received	0.69	0.19
<b>Net cash (used in) investing activities</b>	<b>(B) (15,928.99)</b>	(2,376.43)

(₹ in Lakhs)

31 March 2015 31 March 2014

**Cash flows from financing activities**

Proceeds from issue of shares	2,500.00	-
Proceeds from borrowings	25,392.62	14,968.29
Repayment of borrowings	(7,969.23)	(11,046.35)
Finance cost paid	(3,595.66)	(2,541.67)

<b>Net cash provided by financing activities</b>	<b>(C)</b>	<b>16,327.73</b>	1,380.27
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<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>(1,079.64)</b>	76.47
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Cash and cash equivalents at beginning of the year	1,879.00	1,802.53
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<b>Cash and cash equivalents at end of the year (refer note 1 below)</b>	<b>799.36</b>	1,879.00
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**Notes to the Cash Flow Statement****Components of cash and cash equivalents**

Cash on hand	208.79	1,247.82
Balance with banks		
- Current accounts	554.70	609.33
- Fixed deposits	35.87	21.85
	<b>799.36</b>	1,879.00

The Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 ('AS-3') on cash flow statements as specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

**For B S R and Co**  
Chartered Accountants  
Firm's Registration No: 128510W

For **Parikh Joshi & Kothare**  
Chartered Accountants  
Firm's Registration No: 107547W

For and on behalf of the Board of Directors of  
MEP Infrastructure Developers Limited  
CIN: U45200MH2002PLC136779

**Vijay Mathur**  
Partner  
Membership No: 046476

**Yatin R. Vyavaharkar**  
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Membership No: 033915

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Managing Director  
DIN: 00716351

**Anuya J. Mhaiskar**  
Director  
DIN: 00707650

Mumbai  
Date : August 4, 2015

Mumbai  
Date : August 4, 2015

**M. Sankaranarayanan**  
Chief Financial Officer

**Shridhar Phadke**  
Company Secretary

Mumbai  
Date : August 4, 2015

# Notes to financial statements

## for the year ended 31 March 2015

### 1 COMPANY OVERVIEW

MEP Infrastructure Developers Limited ('MEPIDL' or 'the Company') (formerly known as MEP Infrastructure Developers Private Limited) was incorporated on 8 August 2002 under Companies Act, 1956 ('the Act'). The Company is into the business of collection of toll as per the contracts entered with various authorities and also in providing road, repair and maintenance service to its subsidiary.

The Company has undertaken following contracts for toll collection:

Rajasthan State Road Development & Construction Corporation Limited, 'RSRDC' at Gazipur & Phulwada.

Maharashtra State Road Development Corporation Limited, 'MSRDC' at Katai & Gove

Road Infrastructure Development Company of Rajasthan Limited, 'RIDCOR' at:

- a) Alwar - Bhiwadi
- b) Lalsot - Kota
- c) Alwar - Sikandara

National Highways Authority of India, 'NHA' at:

Toll Name	
Athur	Gurau (Semra-Atikabad)
Bankapur	Manoharabad
Beliyad	Paduna
Brijghat	Palsit
Chamari	Panikoli
Chirle - Karanjade	Pudukottai
Dankuni	Surajbari
Dasna	Tendua
Dastan	Tundla

The Company is a subsidiary of Ideal Toll & Infrastructure Private Limited ('the Holding Company'), a company incorporated in India.

#### Subsequent event

Subsequent to the year end, the Company was listed on the National Stock Exchange and Bombay Stock Exchange on 6 May 2015 pursuant to the Initial Public Offering.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation of financial statements

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India ('Indian GAAP') and relevant provisions of the Companies Act, 2013 ('the Act'), to the extent notified and applicable. The financial statements are presented in Indian rupees in lakhs, rounded off to two decimal points.

#### 2.2 Current/non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either Current or Non-current

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

- (a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within twelve months after the Balance Sheet date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the Balance Sheet date.

All other assets are classified as non-current.

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

- (a) it is expected to be settled in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the Balance Sheet date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date.

All other liabilities are classified as non-current.

#### Operating cycle

Based on the nature of activity and the time between the acquisition of assets and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

# Notes to financial statements

## for the year ended 31 March 2015

### 2.3 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

### 2.4 Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

#### Toll collection

Revenue from toll collection is recognised on actual collection of revenue and in case of contractual terms with certain customers the same is recognised on an accrual basis.

#### Road repair and maintenance

Revenue from road repair and maintenance work is recognised upon completion of services as per contractual terms.

#### Interest and dividend income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividends are recorded as and when the same is received.

### 2.5 Fixed assets

#### Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

Expenditure incurred on acquisition / construction of fixed assets which are not ready for their intended use as at the Balance Sheet date are disclosed under capital work-in-progress.

### 2.6 Depreciation

Depreciation on fixed assets upto 31 March 2014 is provided on written down value method as per the rates prescribed under schedule XIV of the Companies Act, 1956. Pursuant to the notification of Schedule II of the Companies Act, 2013 by Ministry of Corporate Affairs effective 01 April 2014, the Management has reassessed the useful lives and accordingly depreciation on fixed assets for the year ended 31 March 2015 is provided on the written down value method, at useful lives prescribed in Schedule II of the Companies Act 2013. As a result of the said change, the depreciation charge for the year is higher by ₹ 284.23 lakhs with a corresponding decrease in the written down value of fixed assets and profit before tax for the year. Depreciation on addition/deletion of fixed assets during the year is provided on pro-rata basis from / to the date of addition/deletion. Fixed assets costing up to ₹ 5,000 individually are fully depreciated in the year of purchase.

### 2.7 Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of assets value in use and net selling price. After impairment if any, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss is increased or reversed on changes in internal /external factors.

### 2.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consists of interest and other cost that an entity incurs in connection with the borrowing of funds.

### 2.9 Investments

Long term investments are valued at cost, less provision for other than temporary diminution in value, if any. Current investments are valued at the lower of cost and fair value.

### 2.10 Employee benefits

#### i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service.

# Notes to financial statements

## for the year ended 31 March 2015

### **ii) Post employment benefits**

Defined contribution plans

#### **Provident fund**

The Company's contribution to defined contribution plans such as Provident Fund, Employee State Insurance and Maharashtra Labour Welfare Fund are recognised in the Statement of Profit and Loss on accrual basis.

#### **Defined benefit plans**

##### **Gratuity**

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary, using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date. When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

### **2.11 Operating leases**

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

### **2.12 Taxation**

#### **Income tax and deferred tax**

Income tax expense comprises current income tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year) and reversal of timing differences of earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

#### **Minimum alternate tax (MAT)**

Minimum alternate tax (MAT) credit is recognised as an asset only when, and only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period for which the MAT credit can be carried forward or set off against the normal tax liability. MAT credit entitlement is reviewed at each Balance Sheet date and written down to the extent there is no convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### **2.13 Earnings per share (EPS)**

Basic earnings per share is calculated by dividing the net profit/loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the result would be anti dilutive.

### **2.14 Provisions and contingencies**

The Company recognises a provision when there is a present obligation as a result of a past (or obligating) event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for the contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

# Notes to financial statements

## as at 31 March 2015

Contingent assets are neither recognised, nor disclosed in the financial statements.

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>3. SHARE CAPITAL</b>		
<b>Authorised</b>		
200,000,000 (previous year : 150,000,000) equity shares of ₹ 10 each	20,000.00	15,000.00
<b>Issued, subscribed and paid-up</b>		
111,494,250 (previous year : 100,000,000) equity shares of ₹ 10 each fully paid	11,149.43	10,000.00
	<b>11,149.43</b>	<b>10,000.00</b>

(a) **Reconciliation of shares outstanding at the beginning and at the end of the year** (₹ in Lakhs)

	31 March 2015		31 March 2014	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding, beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Shares issued during the year	11,494,250	1,149.43	-	-
Shares outstanding, end of the year	111,494,250	11,149.43	100,000,000	10,000.00

(b) **Rights, preferences and restrictions attached to equity shares**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(c) **Shares held by its holding company** (₹ in Lakhs)

	31 March 2015		31 March 2014	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 10 each fully paid held by:				
Ideal Toll & Infrastructure Private Limited (Holding Company)	59,940,407	5,994.04	51,419,300	5,141.93
	<b>59,940,407</b>	<b>5,994.04</b>	<b>51,419,300</b>	<b>5,141.93</b>

(d) **Particulars of shareholders holding more than 5% shares:** (₹ in Lakhs)

Name of Shareholder	31 March 2015		31 March 2014	
	No. of shares	% No. of shares	No. of shares	%
Equity shares of ₹ 10 each fully paid held by:				
Ideal Toll & Infrastructure Private Limited (Holding Company)	59,940,407	53.76%	51,419,300	51.42%
Dattatray P. Mhaiskar jointly with Sudha Dattatray Mhaiskar	25,218,780	22.62%	25,218,780	25.22%
Jayant Dattatray Mhaiskar jointly with Anuya Jayant Mhaiskar (Directors)	11,227,920	10.07%	11,227,920	11.23%
Jayant Dattatray Mhaiskar (Vice Chairman & Managing Director)	11,003,300	9.87%	11,003,300	11.00%
	<b>107,390,407</b>	<b>96.32%</b>	<b>98,869,300</b>	<b>98.87%</b>

Pursuant to an Initial Public Offering in May 2015 (refer Note 1), the aggregate shareholding of the above mentioned shareholders has subsequently decreased to 66.06%.

# Notes to financial statements

as at 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>4 RESERVES AND SURPLUS</b>		
Securities premium account		
At the commencement of the year	-	-
Received during the year	1,350.57	-
At the end of the year	<b>1,350.57</b>	-
Surplus in the Statement of Profit and Loss		
At the commencement of the year	11,750.56	11,505.70
Profit for the year	1,615.12	244.86
Net surplus in the Statement of Profit and Loss	<b>13,365.68</b>	<b>11,750.56</b>
	<b>14,716.25</b>	<b>11,750.56</b>

(₹ in Lakhs)

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
<b>5 LONG-TERM BORROWINGS</b>				
<b>Secured loans</b>				
<b>Term loans</b>				
- from banks	16,340.00	610.00	4,994.34	7,735.42
	<b>16,340.00</b>	610.00	<b>4,994.34</b>	7,735.42
<b>Vehicle loans</b>				
- from banks	246.42	305.42	68.32	78.29
- from financial institutions	17.14	3.00	11.17	10.58
	<b>263.56</b>	308.42	<b>79.49</b>	88.87
<b>Unsecured loans from related parties</b>				
- from subsidiary companies	-	1,917.33	-	800.00
	-	1,917.33	-	800.00
	<b>16,603.56</b>	2,835.75	<b>5,073.83</b>	8,624.29

## I) Term loans

- A) Term loan includes loan from a bank amounting to ₹ 3,749.34 lakhs (previous year : ₹ 7,495.42 lakhs) which is secured by way of first charge of hypothecation / assignment / security interest on escrow account of the projects financed and also, by pledge of 500,000 equity shares and negative lien on 250,000 equity shares of IRB Infrastructure Developers Private Limited held by the promoters of the Company.

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited, the holding company and personal guarantee given by Mr. J.D. Mhaiskar & Mr. D.P. Mhaiskar, Directors of the Company. The term loan carries an interest rate calculated on base rate of the bank plus a spread of 300 basis points. The term loan is repayable in two equal installments of ₹ 3,750.00 lakhs from 1 March 2014.

- B) Term loan includes loan from a bank amounting to ₹ 16,975.00 lakhs (previous year : ₹ Nil) which is secured by a first and exclusive charge as under:
- first exclusive charge on escrow account specifically maintained for maintenance income/receivables from the maintenance contract with MEP Infrastructure Private Limited, a subsidiary;
  - first mortgage and charge on all immovable and movable properties of the Company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties); except as specifically charged;
  - exclusive charge on specific account opened to route the proceeds from the loan and interest thereon extended to the Ideal Toll & Infrastructure Private Limited, the holding company by MEP Infrastructure Private Limited, subsidiary company;
  - pledge of 15 lakhs shares of IRB Infrastructure Developers Limited, held by the promoters of the company;

# Notes to financial statements

## as at 31 March 2015

- e) pledge of 49% of the issued, paid up and voting equity share capital of Ideal Toll & Infrastructure Private Limited, the holding company;
- f) first charge over the all bank accounts including but not limited to escrow account opened by MEP Highway Solutions Private Limited, subsidiary company;
- g) corporate guarantees jointly given by Ideal Toll & Infrastructure Private Limited, the holding Company; and personal guarantee given by Mr. J.D. Mhaiskar , Director of the Company

The term loan carries an interest rate calculated on base rate of the bank plus a spread of 275 basis points. The term loan is repayable in 127 unequal monthly installments commencing from 1 September 2014.

- C)** Term loan includes a loan from a bank amounting to ₹ 610.00 lakhs (previous year : ₹ 850.00 lakhs ) which is secured by way of assignment / hypothecation of receivables to be generated from the Toll collection account of the projects financed.

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited, the holding company and personal guarantee given by Mr. J.D. Mhaiskar , Director of the Company. The term loan carries an interest rate of 13% p.a. The term loan is repayable in 35 unequal monthly installments commencing after one month from the date of first disbursement.

As at 31 March, 2015 the Company has delayed the repayment of principal amounting to ₹. 3,749.34 lakhs which was overdue for a period of 31 days. The delayed amount has been paid subsequently.

### II) Vehicle loans

- A)** Vehicle loans from banks of ₹ 314.74 lakhs (previous year : ₹ 383.71 lakhs) carry interest rates ranging from 9.89% - 12.38% p.a. The loans are repayable in 36 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.
- B)** Vehicle loans from various financial institutions of ₹ 28.31 lakhs (previous year : ₹ 13.58 lakhs) carry interest rate ranging from 10.83% - 12.34% p.a. The loans are repayable in 35 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

### III) Unsecured loans from related parties

- A)** Unsecured loan from Raima Ventures Private Limited a subsidiary, of ₹ Nil (previous year : 461.32 lakhs) was taken on 31 October 2013 and is repayable in three equal installments at the end of the 8th, 9th and 10th years from the date of disbursement. However repayment can be made prior to repayment schedule and no prepayment penalty will be charged for such repayment. The loan carries an interest rate of 12.5% p.a.
- B)** Unsecured loan from MEP RGSL Toll Bridge Private Limited a subsidiary, of ₹ Nil (previous year : 2,244.78) was taken on 24 March 2014 and is repayable in three equal installments at the end of the 8th, 9th and 10th years from the date of disbursement. However repayment can be made prior to repayment schedule and no prepayment penalty will be charged for such repayment. The loan carries an interest rate of 9.5% p.a.
- C)** Unsecured loan from MEP IRDP Solapur Toll Road Private Limited, a subsidiary, of ₹ Nil (previous year : ₹ 11.23 lakhs) was taken on 2 June 2013 and is repayable in three equal installments at the end of the 8th, 9th and 10th years from the date of disbursement. However repayment can be made prior to repayment schedule and no prepayment penalty will be charged for such repayment.

(₹ in Lakhs)

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
<b>6. OTHER LONG-TERM LIABILITIES</b>				
Mobilisation Advance*	11,407.18	-	1,348.82	-
Margin Money**	594.00	-	-	-
	<b>12,001.18</b>	-	<b>1,348.82</b>	-

\* Mobilisation Advance from MEP Infrastructure Private Limited (subsidiary company) ₹ 12,756.00 lakhs (previous year; ₹ Nil) pursuant to a contract for maintenance of structures, flyovers etc at five Mumbai Entry Points.

\*\* Margin Money aggregating ₹ 594.00 lakhs (previous year; ₹ Nil) received from MEP Chennai Bypass Toll Road Private Limited (subsidiary company) for the purpose of issuing Bank guarantee to the authority.

# Notes to financial statements

as at 31 March 2015

(₹ in Lakhs)

	Non-current portion			Current portion
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
<b>7. PROVISIONS</b>				
Provision for employee benefits				
-Gratuity payable (refer note 26.8)	140.68	96.66	30.12	22.67
Provision for wealth tax	-	-	2.62	2.80
	<b>140.68</b>	96.66	<b>32.74</b>	25.47

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>8. SHORT-TERM BORROWINGS</b>		
Term loan (secured)		
- from banks	6,028.36	236.75
Loans repayable on demand (secured)		
- from bank	11,715.49	9,994.60
Unsecured loan from related parties	100.00	406.46
	<b>17,843.85</b>	10,637.81

## I) Term loans

**A)** Term Loans from bank amounting to ₹ Nil (previous year : 236.75 lakhs) is secured as below :

- assignment / hypothecation of receivables to be generated from the Toll collection account of the projects financed;
  - Personal Guarantee given by Mr. J.D. Mhaikar & Mr. D.P. Mhaikar, directors of the Company;
  - Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);
- The term loan carries an interest rate of 2.35% p.a. below the Bank's Prime Lending Rate subject to minimum of 13% p.a. The loan is repayable in 12 equal monthly installments from the date of first drawdown.

**B)** Term Loans from bank amounting to ₹ 5,000 lakhs (previous year : ₹ Nil) is secured as below :

- First and pari passu charge on entire fixed/current assets of the Company which are not exclusively charged to other Banks/ Lenders.
- First charge / hypothecation / assignment of security interest on Escrow account of the projects financed;
- First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
- Debt Service Reserve Account (DSRA) to be maintained for an amount equivalent to the next 3 months of interest servicing.
- Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);
- Personal Guarantee given by Mr. J.D. Mhaikar director of the Company;

The term loan carries an interest rate calculated on base rate of the bank plus a spread of 2.30% p.a. The loan is repayable in bullet upon release of Bid/Performance Security by the Authority of the project financed.

**C)** Term Loans from bank amounting to ₹ 1,028.36 lakhs (previous year : ₹ Nil) is secured as below :

- Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;
- Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
- Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);
- Personal Guarantee given by Mr. J.D. Mhaikar, Director of the Company;

The term loan carries an interest rate calculated on base rate of 13% p.a. The loan is repayable in 4 equal weekly installments during 12<sup>th</sup> and last month from the date of first disbursement.

## II) Loans repayable on demand

**A)** Loans repayable on demand include an overdraft facility from a bank amounting to ₹ 4,998.27 lakhs (previous year : ₹ 5,000.00 lakhs) which is secured as below:

- First charge / hypothecation / assignment of security interest on Escrow account;
- Personal guarantee given by Mr. J.D. Mhaikar & Mr. D.P. Mhaikar, directors of the Company;
- Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);

Loan carries an interest rate calculated on the base rate of the bank plus a spread of 3% p.a.

# Notes to financial statements

## as at 31 March 2015

- B)** Loans repayable on demand include an overdraft facility from a bank amounting to ₹ 6,717.22 lakhs (previous year : ₹ 4,994.60 lakhs) which is secured as below:
- First charge / hypothecation / assignment of security interest on Escrow account;
  - First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
  - First charge on receivable of the projects financed.
  - Personal Guarantee given by Mr. J.D. Mhaiskar, director of the Company;
  - Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);
  - Loan carries an interest rate calculated on the base rate of the bank plus a spread of 2.50% p.a.

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>9. TRADE PAYABLES</b>		
Trade payable towards goods purchased and services received		
- dues of micro enterprises and small enterprises (refer note 26.7)	0.56	0.56
- other creditors	5,127.64	2,931.73
	<b>5,128.20</b>	2,932.29

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>10. OTHER CURRENT LIABILITIES</b>		
Current maturities of long-term borrowings (refer note 5)	5,073.83	8,624.29
Current maturities of long-term liabilities (refer note 6)	1,348.82	-
Interest accrued but not due on borrowings	0.09	29.06
Interest accrued and due on borrowings	6.28	196.84
Performance Security received from Subsidiary	514.50	-
Employee benefits expense payable	295.74	210.77
Statutory dues payable		
- Tax deducted at source	399.24	22.69
- Tax collected at source	290.39	-
- Provident fund	15.39	8.58
- Profession tax	2.83	1.75
- ESIC	7.24	4.40
- VAT	5.30	9.83
- Service tax	2.90	1.05
Other liabilities	538.68	243.39
	<b>8,501.23</b>	9,352.65

# Notes to financial statements

as at 31 March 2015

## 11. FIXED ASSETS

(₹ in Lakhs)

Particulars	Gross block			Depreciation		Net block	
	As at 1 April 2014	Additions	Sale / Deletion	As at 31 March 2015	1 April 2014	For the period	As at 31 March 2015
Tangible assets							
Office premises*	464.50	-	-	464.50	46.52	35.51	82.04
Vehicles	1,060.52	56.66	7.12	1,110.05	411.86	313.67	722.38
Computer system	193.35	94.51	6.04	281.83	101.56	121.40	219.43
Toll equipments	174.59	111.56	6.95	279.21	51.47	44.18	94.43
Office equipments	84.89	12.84	7.89	89.84	17.16	51.68	65.29
Furnitures and fixtures	188.11	5.94	0.72	193.34	49.64	56.53	105.90
	<b>2,165.96</b>	<b>281.52</b>	<b>28.72</b>	<b>2,418.76</b>	<b>678.21</b>	<b>622.97</b>	<b>1,289.47</b>
							<b>1,129.29</b>

\* Office premise is under mortgage with a bank for a loan taken by Ideal Toll & Infrastructure Private Limited (Holding Company).

Particulars	Gross block			Depreciation		Net block	
	As at 1 April 2013	Additions	Sale / Deletion	As at 31 March 2014	1 April 2013	For the year Adjustment	As at 31 March 2014
Tangible assets							
Office premises	464.50	-	-	464.50	24.53	22.00	46.52
Vehicles	579.11	579.53	98.11	1,060.52	316.99	148.38	411.86
Computer system	150.01	60.84	17.49	193.35	72.59	36.84	101.56
Toll equipments	194.72	38.68	58.81	174.59	42.73	16.27	51.47
Office equipments	74.47	16.39	5.98	84.89	10.99	9.18	17.16
Furnitures and fixtures	183.24	6.34	1.47	188.11	20.62	29.88	49.64
	<b>1,646.05</b>	<b>701.78</b>	<b>181.86</b>	<b>2,165.96</b>	<b>488.45</b>	<b>262.55</b>	<b>678.21</b>
							<b>1,487.75</b>

# Notes to financial statements

as at 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>12 NON-CURRENT INVESTMENTS</b>		
<b>A) Trade investments (Valued at cost)</b>		
<b>I In equity shares of subsidiary companies</b>		
<b>Unquoted, fully paid up</b>		
111,998,998 (previous year : 83,23,998) equity shares of MEP Infrastructure Private Limited of ₹ 10 each.	11,706.05	1,046.05
11,498,850 (previous year : 11,498,850) equity shares of Raima Ventures Private Limited of ₹ 10 each.	1,149.89	1,149.89
2,488,500 (previous year : 2,488,400) equity shares of Rideema Toll Private Limited of ₹ 100 each.	2,488.50	2,488.40
Nil (previous year : 954,800) equity shares of MEP Hamirpur Bus Terminal Private Limited of ₹ 10 each.	-	95.48
Nil (previous year : 649,800) equity shares of MEP Una Bus Terminal Private Limited of ₹ 10 each.	-	64.98
3,999,980 (previous year : 3,999,980) equity shares of MEP Chennai Bypass Toll Road Private Limited of ₹ 10 each.	400.00	400.00
9,890 (previous year : 5,100) equity shares of MEP Hyderabad Bangalore Toll Road Private Limited of ₹ 10 each.	0.99	0.51
9,299,980 (previous year : 6,999,980) equity shares of Raima Toll Road Private Limited of ₹ 10 each.	930.00	700.00
639,800 (previous year : 639,800) equity shares of MEP Nagzari Toll Road Private Limited of ₹ 10 each.	63.98	63.98
819,800 (previous year : 819,800) equity shares of MEP IRDP Solapur Toll Road Private Limited of ₹ 10 each.	81.98	81.98
2,679,800 (previous year : 2,679,800) equity shares of Rideema Toll Bridge Private Limited of ₹ 10 each.	267.98	267.98
7,544,800 (previous year : 3,144,800) equity shares of MEP Highway Solutions Private Limited of ₹ 10 each.	754.48	314.48
3,999,800 (previous year : 3,999,800) equity shares of MEP RGSL Toll Bridge Private Limited of ₹ 10 each.	399.98	399.98
6,999,990 (previous year : Nil) equity shares of Raima Toll and Infrastructure Private Limited of ₹ 10 each.	700.00	-
9,999 (previous year : Nil) equity shares of MEP Tormato Private Limited of ₹ 10 each.	1.00	-
9,999 (previous year : Nil) equity shares of MEP Roads & Bridges Private Limited of ₹ 10 each	1.00	-
9,999 (previous year : Nil) equity shares of MEP Infra Constructions Private Limited of ₹ 10 each	1.00	-
9,999 (previous year : Nil) equity shares of MEP Infraprojects Private Limited of ₹ 10 each	1.00	-
9,999 (previous year : Nil) equity shares of MEP Toll & Infrastructure Private Limited of ₹ 10 each	1.00	-
9,999 (previous year : Nil) equity shares of Mhaikar Toll Road Private Limited of ₹ 10 each	1.00	-
<b>Enterprises over which significant influence is exercised by key managerial personnel</b>		
<b>Unquoted, fully paid up</b>		
3,300 (previous year : 3,300) equity shares of A J Tolls Private Limited of ₹ 100 each.	3.30	3.30
<b>II In preference shares of subsidiary companies</b>		
<b>Unquoted, fully paid up</b>		
2,00,000.00 (previous year : Nil) 12% Non-Cumulative redeemable preference shares of MEP Hyderabad Bangalore Toll Road Private Limited of ₹ 10 each.	2,000.00	-
<b>III In jointly controlled entity</b>		
<b>Unquoted, fully paid up</b>		
3,300 (previous year : Nil) equity shares of KVM Technology Solutions Private Limited of ₹ 10 each. (representing 33% share)	0.33	-
<b>B) Other investments (Valued at cost)</b>		
<b>Unquoted, fully paid up</b>		
4,000 (previous year : 4,000) equity shares of Jankalyan Sahakari Bank Limited of ₹ 10 each.	0.40	0.40
20,000 (previous year : 20,000) equity shares of The Kalyan Janata Sahakari Bank Limited of ₹ 25 each.	5.00	5.00
9,980 (previous year : 9,980) equity shares of Thane Janata Sahakari Bank Limited of ₹ 50 each.	4.99	4.99
	<b>20,963.85</b>	<b>7,087.40</b>

# Notes to financial statements

as at 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>13 DEFERRED TAX ASSETS</b>		
<b>Deferred tax assets</b>		
Excess of depreciation on fixed assets provided in accounts over depreciation / amortisation under income tax law	159.74	58.64
Provision for employee benefits	79.58	40.56
	<b>239.32</b>	<b>99.20</b>

(₹ in Lakhs)

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
<b>14 LONG-TERM LOANS AND ADVANCES (Unsecured, considered good)</b>				
To related parties:				
Loans and advances [refer note 14(a)]	8,134.40	1,005.38	-	-
Advance consideration for acquisition of equity shares [refer note 14(b)]	2,151.14	11,065.42	-	-
Capital advances [refer note 14(c)]	2,694.30	2,750.00	-	-
To parties other than related parties:				
Loans to employees	16.87	-	9.57	33.69
Advance income tax and fringe benefit tax (net of provisions of ₹ 9,264.21; previous year ₹ 8,234.21 lakhs)	2,385.60	965.56	-	-
Balance due from government authorities	-	-	-	-
Mobilisation advance	15,366.03	-	971.61	-
Capital advances	-	-	-	-
Prepaid expenses	221.24	266.21	130.77	179.59
Performance security	-	-	4,980.02	4,058.35
Other security deposits	56.37	55.99	1.93	1.36
	<b>31,025.95</b>	<b>16,108.56</b>	<b>6,093.90</b>	<b>4,272.99</b>

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>(a) Loans and advances to related parties</b>		
<b>I Subsidiary companies</b>		
- MEP Chennai Bypass Toll Road Private Limited (Maximum outstanding during the year ₹ 617.50 lakhs; previous year ₹ 1,015.11 lakhs)	501.50	502.85
- Baramati Tollways Private Limited (Maximum outstanding during the year ₹ 233.26 lakhs; previous year ₹ Nil)	233.26	-
- MEP Highway Solutions Private Limited (Maximum outstanding during the year ₹ 10,917.91 lakhs; previous year ₹ Nil)	7,203.82	-
- MEP IRDP Solapur Toll Road Private Limited (Maximum outstanding during the year ₹ 110.00 lakhs; previous year ₹ Nil)	110.00	-
- MEP RGSL Toll Bridge Private Limited (Maximum outstanding during the year ₹ 83.29 lakhs; previous year ₹ Nil)	83.29	-
<b>II Fellow subsidiary companies</b>		
- MEP Hamirpur Bus Terminal Private Limited (Maximum outstanding during the year ₹ 0.61 lakhs; previous year ₹ 0.61 lakhs)	0.61	0.61
- MEP Una Bus Terminal Private Limited (Maximum outstanding during the year ₹ 1.92 lakhs; previous year ₹ 1.92 lakhs)	1.92	1.92
<b>III Enterprises over which significant influence is exercised by key managerial personnel</b>		
- A J Tolls Private Limited (Maximum outstanding during the year ₹ 500.00 lakhs; previous year ₹ 500.00 lakhs)	-	500.00
	<b>8,134.40</b>	<b>1,005.38</b>

# Notes to financial statements

as at 31 March 2015

(₹ in Lakhs)

		31 March 2015	31 March 2014
<b>14</b>	<b>LONG-TERM LOANS AND ADVANCES (CONTINUED)</b>		
<b>(b)</b>	<b>Advance against acquisition of the equity shares</b>		
<b>I</b>	<b>Subsidiary companies</b>		
	MEP Infrastructure Private Limited	-	10,075.00
	MEP Highway Solutions Private Limited	-	200.00
	MEP Hyderabad Bangalore Toll Road Private Limited	250.00	-
	Rideema Toll Bridge Private Limited	1,000.00	-
	MEP Highway Solutions Private Limited	164.00	-
	Raima Toll Road Private Limited	500.00	-
	Baramati Tollways Private Limited	6.00	-
	Chennai Bypass Toll Road Private Limited	116.00	-
<b>II</b>	<b>Enterprises over which significant influence exercised by key management personnel</b>		
	MEP Toll Gates Private Limited	0.16	0.16
	Ideal Hospitality Private Limited	-	90.00
	Ideal Energy Projects Limited	-	0.48
		<b>2,036.16</b>	10,365.64
<b>III</b>	Advance to Ideal Toll & Infrastructure Private Limited (Holding Company) for acquisition of its equity holding in MEP Infrastructure Private Limited (Subsidiary Company)	-	584.80
<b>IV</b>	Advance to Rideema Toll Private Limited (Subsidiary Company) for acquisition of its equity holding in Baramati Toll Private Limited (Subsidiary Company)	114.98	114.98
		<b>2,151.14</b>	11,065.42
<b>(c)</b>	<b>Capital advances to related parties</b>		
	Ideal Toll & Infrastructure Private Limited (Maximum outstanding during the year ₹ 2,750.00 lakhs; previous year ₹ 2,750.00 lakhs )	2,694.30	2,750.00
		<b>2,694.30</b>	2,750.00

(₹ in Lakhs)

		31 March 2015	31 March 2014
<b>15</b>	<b>OTHER NON-CURRENT ASSETS</b>		
	Fixed deposits with banks with maturity period more than twelve months from reporting date (refer note 17)	1,207.76	378.88
	Interest accrued on fixed deposits	29.30	10.72
		<b>1,237.06</b>	389.60

# Notes to financial statements

as at 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>16 TRADE RECEIVABLES</b>		
<b>(Unsecured, considered good)</b>		
Receivable outstanding for a period exceeding six months from the date they became due for payment	8.60	-
Other receivables	3,935.22	2,251.27
	<b>3,943.82</b>	<b>2,251.27</b>
* Trade receivables of ₹ 3,917.74 lakhs (previous year : ₹ 2,241.76 lakhs) are due from related parties as below		
Enterprises over which significant influence is exercised by key managerial personnel		
- D S Enterprises	2,551.53	2,241.76
- MEP Roads & Bridges Private Limited	215.43	-
- Raima Ventures Private Limited	888.82	-
- Raima Toll & Infrastructure Private Limited	261.96	-
	<b>3,917.74</b>	<b>2,241.76</b>

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>17 CASH AND BANK BALANCES</b>		
Cash and cash equivalents		
Balances with banks		
- in current accounts	554.70	609.33
- in fixed deposits (refer note below)	35.87	21.85
Cash on hand	208.79	1,247.82
	<b>799.36</b>	<b>1,879.00</b>
Other bank balances*	3,034.94	879.46
	<b>3,834.30</b>	<b>2,758.46</b>
Details of bank balances/deposits		
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	590.57	631.18
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	3,034.94	879.46
Bank deposits due to mature after 12 months of the reporting date included under 'Other non current assets' (refer note 15)	1,207.76	378.88
	<b>4,833.27</b>	<b>1,889.52</b>

#### Notes

\*Other bank balances includes fixed deposits with Bank of ₹ 1703.61 lakhs (previous year : ₹ Nil) which are provided as a lien for maintenance of Debt Service Reserve Account. Bank deposits of ₹ 375.00 lakhs (previous year : ₹ 250.00 lakhs) with a bank is provided as cash margin for bank overdraft. Bank deposits of ₹ 2,199.96 lakhs (previous year : ₹ 1,030.19 lakhs) with various banks are provided as a lien for bank guarantee given to authorities.

# Notes to financial statements

## as at 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>18 SHORT-TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, considered good)</b>		
To related parties		
(Unsecured, considered good)		
Advance consideration for acquisition of shares [refer note 18 (a)]	-	2,000.00
Other Loans [refer note 18 (b)]	12,703.47	9,499.98
To parties other than related parties		
Current portion of long term loans and advances [refer note 14]	6,093.90	4,272.99
Advances recoverable in cash or kind	35.61	35.70
Advances to suppliers	27.83	1.70
Advances for authority payment	222.44	18.21
Bid security / earnest money deposit	134.00	-
	<b>19,217.25</b>	<b>15,828.58</b>
<b>(a) Advance consideration for acquisition of shares</b>		
Enterprises over which significant influence is exercised by key managerial personnel		
Ideal Hospitality Private Limited	-	2,000.00
	-	2,000.00
<b>(b) Other Loans</b>		
- MEP Infrastructure Private Limited (Maximum outstanding during the year ₹ 568.03 lakhs; previous year ₹ 760.10 lakhs)	-	568.03
- Rideema Toll Bridge Private Limited (Maximum outstanding during the year ₹ 1,856.41 lakhs; previous year ₹ 5,723.49 lakhs)	970.60	992.39
- Ideal Energy Projects Limited (Maximum outstanding during the year ₹ 20.00 lakhs; previous year ₹ 20.00 lakhs)	-	20.00
- Rideema Toll Private Limited (Maximum outstanding during the year ₹ 5,387.68 lakhs; previous year ₹ 5,384.99 lakhs)	5,387.68	5,322.20
- Raima Toll Road Private Limited (Maximum outstanding during the year ₹ 2,937.73 lakhs; previous year ₹ 1,571.23 lakhs)	2,838.52	910.18
- MEP Hyderabad Bangalore Toll Road Private Limited (Maximum outstanding during the year ₹ 3,116.22 lakhs; previous year ₹ 1,789.45 lakhs)	3,112.78	1,526.64
- MEP Nagzari Toll Road Private Limited (Maximum outstanding during the year ₹ 393.89 lakhs; previous year ₹ 160.53 lakhs)	393.89	160.53
	<b>12,703.47</b>	<b>9,499.98</b>

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>19 OTHER CURRENT ASSETS</b>		
Interest receivable		
- accrued on fixed deposits	112.48	43.90
- accrued on loans to related parties	2,113.31	772.03
Other receivables from related parties	1,682.01	804.45
Other receivables from other than related parties	17.51	-
Share issue expenses	600.97	-
	<b>4,526.28</b>	<b>1,620.38</b>

# Notes to financial statements

## for the year ended 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>20 REVENUE FROM OPERATIONS</b>		
Toll collection	86,879.41	48,325.48
Other operating revenue		
- Road repair and maintenance	3,840.53	244.10
	<b>90,719.94</b>	<b>48,666.98</b>

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>21 OTHER INCOME</b>		
Interest income		
- from fixed deposits	240.46	130.09
- from loans to related parties	2,304.91	912.11
- from loans to parties other than related parties	0.31	0.43
- from refund of income tax	-	100.54
Dividend income	0.69	0.19
Provisions no longer required written back	-	122.68
Profit on sale of fixed assets	16.63	-
Miscellaneous income	4.63	5.65
	<b>2,567.63</b>	<b>1,271.69</b>

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>22 OPERATING AND MAINTENANCE EXPENSES</b>		
Concession fees to authority	80,042.33	41,980.52
Road repairing and maintenance expenses	1,267.55	222.41
Maintenance cost paid to authority	150.00	25.55
Toll attendant expenses	335.16	412.83
Other site operational expenses	512.42	513.44
	<b>82,307.46</b>	<b>43,154.75</b>

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>23 EMPLOYEE BENEFITS</b>		
Salaries, wages and bonus	2,267.06	1,395.98
Contribution to provident funds and other funds (refer note 26.8)	176.54	110.66
Gratuity expenses (refer note 26.8)	57.95	30.90
Staff welfare expenses	316.20	247.80
	<b>2,817.75</b>	<b>1,785.34</b>

# Notes to financial statements

for the year ended 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>24 FINANCE COSTS</b>		
Interest expenses		
- from banks	2,957.64	2,429.97
- from financial institutions	1.55	24.24
- from related parties	-	32.29
Other borrowing cost		
- Processing fees	297.87	66.96
- Bank guarantee and commission	119.07	111.21
- Others	-	14.43
	<b>3,376.13</b>	2,679.10

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>25 OTHER EXPENSES</b>		
Rent	11.66	10.14
Rates and taxes	133.38	45.59
Directors remuneration	240.00	240.00
Insurance	24.94	22.77
Legal consultancy and professional fees	244.41	148.11
Travelling expenses	338.85	313.32
Business promotion and advertisement expenses	44.57	39.47
Repairs and maintenance		
- to toll equipments	71.51	50.27
- to computers	21.67	20.82
- others	70.37	34.62
Auditors remuneration (refer note 26.4)	30.27	31.86
Wealth Tax	2.61	2.80
Miscellaneous expenses	394.78	578.84
	-	-
	<b>1,629.02</b>	1,538.61

# Notes to financial statements

## for the year ended 31 March 2015

(₹ in Lakhs)

Particulars	31 March 2015	31 March 2014
<b>26.1 Contingent liabilities / other commitments</b>		
Interest on late payments to Maharashtra State Road Development Corporation Limited	-	68.04
Claims made against the Company not acknowledged as debts	8,171.18	8,171.18
Bank guarantees	22,086.18	16,494.34
Corporate guarantees given on behalf of subsidiaries	346,289.50	354,203.00
	<b>376,546.86</b>	<b>378,936.56</b>

(₹ in Lakhs)

Particulars	31 March 2015	31 March 2014
<b>26.2 Capital commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advance)	0.61	44.53

### 26.3 Operating lease

The Company has entered into non - cancellable operating lease agreement for premises, which expires over the next two years. Rent expenses debited to the Statement of Profit and Loss is ₹ 7.07 lakhs (previous year : 7.61 lakhs) in respect of non-cancellable lease agreement. Total rent expenses is ₹ 11.66 lakhs (previous year : ₹ 10.14 lakhs) (refer note 25). The future minimum lease payments in respect of these properties as on 31 March 2015 is as below:

(₹ in Lakhs)

	31 March 2015	31 March 2014
Not later than one year	8.33	8.30
Later than one year but not later than five years	1.39	4.85
Later than five years	-	-
<b>Total</b>	<b>9.72</b>	<b>13.15</b>

(₹ in Lakhs)

Particulars	31 March 2015	31 March 2014
<b>26.4 Auditor's remuneration</b>		
Audit fees	29.54	31.66
Out of pocket expenses	0.73	0.20
<b>Total</b>	<b>30.27</b>	<b>31.86</b>

(₹ in Lakhs)

		31 March 2015	31 March 2014
<b>26.5 Earnings per share (EPS)</b>			
Profit after tax attributable to equity shareholders	A	1,615.12	244.86
Number of equity shares at the beginning of the year		100,000,000	100,000,000
Number of equity shares outstanding at the end of the year		111,494,250	100,000,000
Weighted average number of equity shares outstanding during the year	B	109,699,258	100,000,000
Basic earnings per equity share (₹)	(A / B)	1.47	0.24
Diluted earnings per share			
Profit after tax attributable to equity shareholders	A	1,615.12	244.86
Weighted average number of equity shares outstanding during the year for the calculation of diluted earnings per share	B	109,699,258	100,000,000
Diluted earnings per equity share (₹)	(A / B)	1.47	0.24
Face value per equity share (₹)		10	10

### 26.6 Segment reporting

The segment information has been disclosed in the consolidated financial statements of the Company in accordance with paragraph 4 of AS 17 'Segment reporting' as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

# Notes to financial statements

## for the year ended 31 March 2015

### 26.7 Due to micro and small suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Management, outstanding dues to the Micro, Small and Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as set out in following disclosure:

	31 March 2015	'31 March 2014
Principal amount remaining unpaid to any supplier as at the year end	0.56	0.56
Interest due thereon	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

### 26.8 Employee benefits

The disclosures as required as per the revised Accounting Standard 15 are as under:

#### I) Defined contribution plan

- i) Contribution to Provident Fund
- ii) Contribution to Employees State Insurance Corporation
- iii) Contribution to Maharashtra Labour Welfare Fund

The Company has recognised the following amounts in the Statement of Profit and Loss for the year	31 March 2015	31 March 2014
- Employer's Contribution to Provident Fund	107.31	63.48
- Employer's Contribution to Employees State Insurance Corporation	68.43	46.33
- Maharashtra Labour Welfare Fund	0.80	0.85
	176.54	110.66

\*Included in Contribution to provident fund and other funds (refer note 23 - Employee benefits)

#### II) Defined Benefit plan

##### Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement 15 days salary (last drawn salary) for each completed year of service. The company during the period provided ₹ 57.95 lakhs (Previous year : ₹ 30.90 lakhs) towards gratuity in the Statement of Profit and Loss.

In accordance with the Accounting Standard 15 (Revised 2005), actuarial valuation has been done in respect of defined benefit plan of gratuity based on the following assumptions:

	31 March 2015	31 March 2014
Discount rate	7.95%	9.30%
Salary escalation rate	6.00%	6.00%
Expected average remaining lives of the employees	8.68	7.57
(i) Change in present value of obligation		
	31 March 2015	31 March 2014
Present value of obligations as at 1 April 2014	119.34	127.96
Interest cost	12.29	10.11
Current service cost	24.17	23.56
Benefits paid	(6.48)	(7.40)
Liabilities assumed on acquisition / (settled on divestiture)	-	(32.12)
Actuarial (profit)/losses	21.49	(2.77)
Present value of obligations as at 31 March 2015	170.80	119.34

# Notes to financial statements

## for the year ended 31 March 2015

### 26.8 Employee Benefits (Continued)

II) Defined benefit plan (Continued)			
(ii) Amount recognised in the Balance Sheet		31 March 2015	31 March 2014
Present value of obligations as at 31 March 2015		170.80	119.34
Present value of plan assets as at 31 March 2015		-	-
Net liability recognised as on 31 March 2015		170.80	119.34
<b>Classification into Current / Non-Current</b>			
The liability in respect of the plan comprises of the following non current and current portion:			
	31 March 2015	31 March 2014	
Current	30.12	22.68	
Non current	140.68	96.66	
	<b>170.80</b>	<b>119.34</b>	

### II) Defined benefit plan (Continued)

#### (iii) Expenses recognised in the Statement of Profit and Loss

	31 March 2015	31 March 2014
Current service cost	24.17	23.56
Interest cost on benefit obligation	12.29	10.11
Net actuarial (profit)/loss recognised in the current year	21.49	(2.77)
Expense recognised in the Statement of Profit and Loss (refer note 23)	<b>57.95</b>	30.90

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

The Company's liability on account of gratuity is not funded and hence the disclosures relating to the planned assets are not applicable.

Experience adjustments	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Defined benefit obligation	170.80	119.34	127.96	94.44	61.81
Plan assets	-	-	-	-	-
(Deficit)	(170.80)	(119.34)	(127.96)	(94.44)	(61.81)
Experience adjustment on plan liabilities	1.16	2.01	(1.19)	14.50	30.82
Experience adjustment on plan assets	-	-	-	-	-

### 26.9 Expenditure in foreign currency (on accrual basis)

Particulars	31 March 2015	31 March 2014
Travelling expenses	0.81	-
	0.81	-

### 26.10 Related party disclosures

In accordance with the requirements of Accounting Standard 18 'Related Party Transactions' as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, following are the names of related parties and their relationships, details of the transaction during the year and balances as at the year end :

#### A. Name of related parties and the nature of relationship

Name of related party	Nature of relationship
Ideal Toll & Infrastructure Private Limited	Holding Company
MEP Infrastructure Private Limited	Subsidiary
Raima Ventures Private Limited	Subsidiary
Rideema Toll Private Limited	Subsidiary
MEP Nagzari Toll Road Private Limited	Subsidiary
MEP IRDP Solapur Toll Road Private Limited	Subsidiary
MEP Highway Solutions Private Limited	Subsidiary
Rideema Toll Bridge Private Limited	Subsidiary
Raima Toll Road Private Limited	Subsidiary
MEP Hyderabad Bangalore Toll Road Private Limited	Subsidiary

# Notes to financial statements

## for the year ended 31 March 2015

MEP Chennai Bypass Toll Road Private Limited	Subsidiary
MEP RGSL Toll Bridge Private Limited	Subsidiary
MEP Tormato Private Limited	Subsidiary
Raima Toll and Infrastructure Private Limited	Subsidiary
Baramati Tollways Private Limited	Subsidiary
MEP Infraprojects Private Limited	Subsidiary
MEP Toll & Infrastructure Private Limited	Subsidiary
MEP Infra Constructions Private Limited	Subsidiary
Mhaskar Toll Road Private Limited	Subsidiary
MEP Roads & Bridges Private Limited	Subsidiary
MEP Una Bus Terminal Private Limited	Fellow Subsidiary
MEP Hamirpur Bus Terminal Private Limited	Fellow Subsidiary
A J Tolls Private Limited	Fellow Subsidiary

Maask Entertainment Private Limited  
 IEPL Power Trading Company Private Limited  
 Ideal Energy Projects Limited  
 MEP Toll Gates Private Limited  
 VCR Toll Services Private Limited  
 Ideal Infoware Private Limited  
 Global Safety Visions Private Limited  
 MEP Infracon Private Limited  
 Raima Roads & Bridges Private Limited  
 Raima Infra Solutions Private Limited  
 Mhaskar Landmarks Private Limited  
 Ideal Hospitality Private Limited  
 Ideal Brands Private Limited  
 IRB Infrastructure Developers Limited  
 Ideal Road Builders Private Limited.  
 Thane Ghodbunder Toll Road Private Limited  
 IRB Infrastructure Private Limited  
 MMK Toll Road Private Limited  
 NKT Road & Toll Private Limited  
 Mhaskar Infrastructure Private Limited.  
 Altamount Capital Management Private Limited  
 Sagaon Energy Equipment Private Limited  
 Chitpavan Foundation  
 Anuya Enterprises  
 A J Enterprises  
 Sudha Productions  
 JRR Udyog  
 Rideema Enterprises.  
 JAAR Infrastructure LLP  
 D.P. Mhaskar Foundation  
 Jan Transport  
 D S Enterprises

Enterprises over which significant influence  
is exercised by key managerial personnel

Mr. Jayant.Mhaskar  
 Mrs. Anuya Mhaskar  
 Mr. Dattatray Mhaskar  
 Mr. Murzash Manekshana

Key Management Person  
 Key Management Person  
 Key Management Person  
 Key Management Person

# Notes to financial statements

for the year ended 31 March 2015

## 26.10 Related party disclosures

### B. Disclosures of material transactions with related parties and balances as at 31 March 2015

	Holding Company		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>I) Transactions during the year</b>										
<b>Key Managerial remuneration</b>										
Mr. Murzash Manekshana	-	-	-	-	150.00	240.00	-	-	150.00	240.00
Mr. Jayant Mhaiskar	-	-	-	-	90.00	-	-	-	90.00	-
<b>Loans given</b>										
MEP Infrastructure Private Limited	-	-	-	1,091.00	-	-	-	-	-	1,091.00
Rideema Toll Private Limited	-	-	65.48	6,171.14	-	-	-	-	65.48	6,171.14
Rideema Toll Bridge Private Limited	-	-	1,876.47	7,212.48	-	-	-	-	1,876.47	7,212.48
Raima Toll and Infrastructure Private Limited	-	-	265.00	-	-	-	-	-	265.00	-
MEP Chennai Bypass Toll Road Private Limited	-	-	19.89	542.11	-	-	-	-	19.89	542.11
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	2,115.65	2,176.75	-	-	-	-	2,115.65	2,176.75
Raima Toll Road Private Limited	-	-	2,235.75	1,603.09	-	-	-	-	2,235.75	1,603.09
Baramati Tollways Private Limited	-	-	1,460.84	421.40	-	-	-	-	1,460.84	421.40
MEP Highway Solutions Private Limited	-	-	11,565.52	356.10	-	-	-	-	11,565.52	356.10
A J Tolls Private Limited	-	-	-	-	-	-	28.44	-	-	28.44
MEP Nagzari Toll Road Private Limited	-	-	281.33	161.97	-	-	-	-	281.33	161.97
MEP IRDP Solapur Toll Road Private Limited	-	-	110.00	33.04	-	-	-	-	110.00	33.04
MEP RGSJ Toll Bridge Private Limited	-	-	83.29	94.97	-	-	-	-	83.29	94.97
MEP Roads & Bridges Private Limited	-	-	15.65	-	-	-	-	-	15.65	-
MEP Hamirpur Bus Terminal Private Limited	-	-	-	0.61	-	-	-	-	-	0.61
MEP Una Bus Terminal Private Limited	-	-	-	1.92	-	-	-	-	-	1.92
Ideal Hospitality Private Limited	-	-	-	-	-	-	2,000.00	-	2,000.00	-
Jan Transport	-	-	-	-	-	-	-	250.94	-	250.94
<b>Repayment of loans given</b>										
MEP Infrastructure Private Limited	-	-	568.03	522.97	-	-	-	-	568.03	522.97
Rideema Toll Private Limited	-	-	-	1,048.94	-	-	-	-	-	1,048.94
Rideema Toll Bridge Private Limited	-	-	1,898.26	6,220.08	-	-	-	-	1,898.26	6,220.08
Raima Toll and Infrastructure Private Limited	-	-	265.00	-	-	-	-	-	265.00	-
MEP Chennai Bypass Toll Road Private Limited	-	-	21.25	917.08	-	-	-	-	21.25	917.08
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	529.51	652.44	-	-	-	-	529.51	652.44
Raima Toll Road Private Limited	-	-	307.42	692.90	-	-	-	-	307.42	692.90
Baramati Tollways Private Limited	-	-	1,227.58	1,249.36	-	-	-	-	1,227.58	1,249.36
MEP Nagzari Toll Road Private Limited	-	-	47.97	1.44	-	-	-	-	47.97	1.44
MEP Highway Solutions Private Limited	-	-	4,361.69	356.10	-	-	-	-	4,361.69	356.10

# Notes to financial statements

for the year ended 31 March 2015

	Holding Company			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	
MEP RGSL Toll Bridge Private Limited	-	-	-	94.97	-	-	-	-	-	-	-	-	94.97	
MEP Roads & Bridges Private Limited	-	-	15.65	-	-	-	-	-	-	-	-	-	15.65	
MEP IRDP Solapur Toll Road Private Limited	-	-	-	37.39	-	-	-	-	-	-	-	-	37.39	
A J Tolls Private Limited	-	-	-	-	-	-	-	-	-	458.33	-	-	458.33	
Ideal Energy Projects Limited	-	-	-	-	-	-	-	-	20.00	6.27	20.00	-	20.00	
Rideema Enterprises	-	-	-	-	-	-	-	-	-	119.13	-	-	119.13	
Ideal Hospitality Private Limited	-	-	-	-	-	-	-	-	2,000.00	-	-	-	2,000.00	
Jan Transport	-	-	-	-	-	-	-	-	-	250.94	-	-	250.94	
<b>Loan taken</b>														
Ideal Toll & Infrastructure Private Limited	4,934.13	12,559.48	-	-	-	-	-	-	-	-	-	-	4,934.13	
MEP Infrastructure Private Limited	-	-	-	3,970.94	-	-	-	-	-	-	-	-	3,970.94	
MEP IRDP Solapur Toll Road Private Limited	-	-	8.88	54.87	-	-	-	-	-	-	-	-	8.88	
IEPL Power Trading Company Private Limited	-	-	-	-	-	-	-	-	-	309.39	-	-	309.39	
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	953.40	-	-	-	-	-	-	-	-	953.40	
Raima Ventures Private Limited	-	-	8.58	619.96	-	-	-	-	-	-	-	-	8.58	
MEP Highway Solutions Private Limited	-	-	79.65	-	-	-	-	-	-	-	-	-	79.65	
MEP RGSL Toll Bridge Private Limited	-	-	-	2,255.36	-	-	-	-	-	-	-	-	2,255.36	
Mrs. Anuya Mhaiskar	-	-	-	-	-	-	-	5.69	-	-	-	-	5.69	
Mr. Jayant Mhaiskar	-	-	-	-	100.00	-	-	6,250.90	-	-	-	-	100.00	
<b>Repayment of loans taken</b>														
Ideal Toll & Infrastructure Private Limited	5,340.59	12,372.02	-	-	-	-	-	-	-	-	-	-	5,340.59	
MEP Infrastructure Private Limited	-	-	-	3,970.94	-	-	-	-	-	-	-	-	3,970.94	
MEP IRDP Solapur Toll Road Private Limited	-	-	20.11	43.64	-	-	-	-	-	-	-	-	20.11	
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	953.40	-	-	-	-	-	-	-	-	953.40	
IEPL Power Trading Company Private Limited	-	-	-	-	-	-	-	-	-	309.39	-	-	309.39	
Raima Ventures Private Limited	-	-	469.89	158.65	-	-	-	-	-	-	-	-	469.89	
MEP Highway Solutions Private Limited	-	-	79.65	-	-	-	-	-	-	-	-	-	79.65	
MEP RGSL Toll Bridge Private Limited	-	-	2,244.78	10.59	-	-	-	-	-	-	-	-	2,244.78	
Mrs. Anuya Mhaiskar	-	-	-	-	-	-	-	5.69	-	-	-	-	5.69	
Mr. Jayant Mhaiskar	-	-	-	-	-	-	-	6,263.87	-	-	-	-	6,263.87	
<b>Advances taken</b>														
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	13,344.79	-	-	-	-	-	-	-	-	-	13,344.79	
Raima Toll and Infrastructure Private Limited (Mobilisation Advance)	-	-	1,148.57	-	-	-	-	-	-	-	-	-	1,148.57	

# Notes to financial statements

for the year ended 31 March 2015

	Holding Company			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	
<b>Adjustment of Advance taken</b>														
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	588.78	-	-	-	-	-	-	-	-	-	588.78	
<b>Repayment of advances taken</b>														
Raima Ventures Private Limited	-	-	-	116.82	-	-	-	-	-	-	-	-	116.82	
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	-	212.73	-	-	-	-	-	-	-	-	212.73	
Raima Toll and Infrastructure Private Limited	-	-	1,148.57	-	-	-	-	-	-	-	-	-	1,148.57	
<b>Advances given</b>														
Ideal Toll & Infrastructure Private Limited	990.49	2,750.00	-	-	-	-	-	-	-	-	-	-	2,750.00	
A J Tolls Private Limited	-	-	-	-	-	-	-	-	500.00	-	-	-	500.00	
<b>Repayment of advances given</b>														
Ideal Toll & Infrastructure Private Limited	1,046.19	-	-	-	-	-	-	-	-	-	-	-	1,046.19	
A J Tolls Private Limited	-	-	-	-	-	-	-	-	500.00	-	-	-	500.00	
<b>Margin Money/Performance Security received</b>														
MEP Chennai Bypass Toll Road Private Limited	-	-	594.00	-	-	-	-	-	-	-	-	-	594.00	
MEP Roads & Bridges Private Limited	-	-	514.50	-	-	-	-	-	-	-	-	-	514.50	
<b>Share application money received</b>														
Ideal Toll & Infrastructure Private Limited	2,500.00	-	-	-	-	-	-	-	-	-	-	-	2,500.00	
<b>Shares allotted</b>														
Ideal Toll & Infrastructure Private Limited	2,500.00	-	-	-	-	-	-	-	-	-	-	-	2,500.00	
<b>Share application money paid</b>														
MEP Infrastructure Private Limited	-	-	990.00	4,533.75	-	-	-	-	-	-	-	-	990.00	
Rideema Toll Private Limited	-	-	-	405.80	-	-	-	-	-	-	-	-	405.80	
Baramati Tollways Private Limited	-	-	6.00	-	-	-	-	-	-	-	-	-	6.00	
MEP Hamirpur Bus Terminal Private Limited	-	-	-	1.66	-	-	-	-	-	-	-	-	1.66	
MEP Nagzari Toll Road Private Limited	-	-	-	23.10	-	-	-	-	-	-	-	-	23.10	
MEP IRDP Solapur Toll Road Private Limited	-	-	-	0.68	-	-	-	-	-	-	-	-	0.68	
Rideema Toll Bridge Private Limited	-	-	2,000.00	200.22	-	-	-	-	-	-	-	-	2,000.00	
Raima Toll Road Private Limited	-	-	1,000.00	99.00	-	-	-	-	-	-	-	-	99.00	
MEP Toll Gates Private Limited	-	-	-	-	-	-	-	-	-	-	-	0.05	0.05	
MEP Highway Solutions Private Limited	-	-	164.00	1,313.48	-	-	-	-	-	-	-	-	1,313.48	
MEP RGSL Toll Bridge Private Limited	-	-	-	399.00	-	-	-	-	-	-	-	-	399.00	
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	500.00	-	-	-	-	-	-	-	-	-	500.00	

# Notes to financial statements

for the year ended 31 March 2015

	Holding Company			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Total		
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
MEP Chennai Bypass Toll Road Private Limited	-	-	116.00	10.53	-	-	-	-	-	-	-	-	116.00	10.53	-
Ideal Energy Projects Limited	-	-	-	-	-	-	-	-	-	-	-	0.48	-	-	0.48
<b>Share application money paid returned back</b>															
Ideal Toll & Infrastructure Private Limited	-	5,525.75	-	-	-	-	-	-	-	-	-	-	-	-	5,525.75
MEP Infrastructure Private Limited	-	-	990.00	-	-	-	-	-	-	-	-	-	-	-	990.00
MEP Highway Solutions Private Limited	-	-	-	800.09	-	-	-	-	-	-	-	-	-	-	800.09
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	250.00	804.39	-	-	-	-	-	-	-	-	250.00	804.39	-
A J Tolls Private Limited	-	-	-	-	-	-	-	-	-	-	989.44	-	-	989.44	-
Rideema Toll Bridge Private Limited	-	-	1,000.00	200.64	-	-	-	-	-	-	-	-	1,000.00	200.64	-
MEP IRDP Solapur Toll Road Private Limited	-	-	-	6.50	-	-	-	-	-	-	-	-	-	6.50	-
MEP RGSL Toll Bridge Private Limited	-	-	-	0.11	-	-	-	-	-	-	-	-	-	0.11	-
MEP Una Bus Terminal Private Limited	-	-	-	0.40	-	-	-	-	-	-	-	-	-	0.40	-
Baramati Tollways Private Limited	-	-	-	1,221.37	-	-	-	-	-	-	-	-	-	1,221.37	-
MEP Nagzari Toll Road Private Limited	-	-	-	23.00	-	-	-	-	-	-	-	-	-	23.00	-
Raima Toll Road Private Limited	-	-	500.00	-	-	-	-	-	-	-	-	-	500.00	-	-
Ideal Hospitality Private Limited	-	-	-	-	-	-	-	-	2,090.00	-	-	-	2,090.00	1,020.00	-
Ideal Energy Projects Limited	-	-	-	-	-	-	-	-	-	-	450.00	-	-	450.00	-
<b>Shares of MEP Infrastructure Private Limited acquired from</b>															
Ideal Toll & Infrastructure Private Limited	584.80	427.30	-	-	-	-	-	-	-	-	-	-	584.80	427.30	-
<b>Shares of MEP Hyderabad Bangalore Toll Road Private Limited acquired from</b>															
Ideal Energy Projects Limited	-	-	0.48	-	-	-	-	-	-	-	-	-	0.48	-	-
<b>Shares of Rideema Toll Private Limited acquired from</b>															
Ideal Toll & Infrastructure Private Limited	-	414.60	-	-	-	-	-	-	-	-	-	-	-	414.60	-
Mr. Jayant Mhaikar	-	-	0.10	-	-	-	-	-	-	-	-	-	0.10	-	567.00
<b>Investment in shares of MEP Highway Solutions Private Limited from</b>															
Mrs. Anuya Mhaikar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.49
Mr. Jayant Mhaikar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.49

# Notes to financial statements

## for the year ended 31 March 2015

	Holding Company			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	
<b>Investment in shares of MEP RGSL Toll Bridge Private Limited from</b>														
Mrs. Anuya Mhaikar	-	-	-	-	-	-	-	0.49	-	-	-	-	0.49	
Mr. Jayant Mhaikar	-	-	-	-	-	-	-	0.49	-	-	-	-	0.49	
<b>Shares of MEP Tormato Private Limited acquired from</b>														
Mr. Jayant Mhaikar	-	-	1.00	-	-	-	-	-	-	-	-	-	1.00	
<b>Shares of Raima Toll and Infrastructure Private Limited acquired from</b>														
Mrs. Anuya Mhaikar	-	-	-	-	-	-	-	-	0.50	-	-	-	0.50	
Mr. Jayant Mhaikar	-	-	-	-	-	-	-	-	0.50	-	-	-	0.50	
<b>Equity contribution made</b>														
Purchase of shares of MEP Hamirpur Bus Terminal Private Limited	-	-	-	-	-	94.50	-	-	-	-	-	-	94.50	
Purchase of shares of MEP Una Bus Terminal Private Limited	-	-	-	-	-	64.00	-	-	-	-	-	-	64.00	
Purchase of shares of MEP Chennai Bypass Toll Road Private Limited	-	-	-	-	-	399.00	-	-	-	-	-	-	399.00	
Purchase of shares of MEP Nagzari Toll Road Private Limited	-	-	-	-	-	63.00	-	-	-	-	-	-	63.00	
Purchase of shares of MEP IRDP Solapur Toll Road Private Limited	-	-	-	-	-	81.00	-	-	-	-	-	-	81.00	
Purchase of shares of Rideema Toll Bridge Private Limited	-	-	-	-	-	267.00	-	-	-	-	-	-	267.00	
Purchase of shares of Rideema Toll Private Limited	-	-	-	-	-	405.80	-	-	-	-	-	-	405.80	
Purchase of shares of Raima Toll and Infrastructure Private Limited	-	-	699.00	-	-	-	-	-	-	-	-	-	699.00	
Purchase of shares of Raima Toll Road Private Limited	-	-	230.00	-	-	699.00	-	-	-	-	-	-	699.00	
Purchase of shares of MEP Highway Solutions Private Limited	-	-	440.00	-	-	313.50	-	-	-	-	-	-	440.00	
Purchase of shares of MEP RGSL Toll Bridge Private Limited	-	-	-	-	-	399.00	-	-	-	-	-	-	399.00	
Purchase of shares of MEP Infraprojects Private Limited	-	-	1.00	-	-	-	-	-	-	-	-	-	1.00	
Purchase of shares of MEP Infra Cons Private Limited	-	-	1.00	-	-	-	-	-	-	-	-	-	1.00	
Purchase of shares of MEP Infrastructure Private Limited	-	-	10,075.00	-	-	-	-	-	-	-	-	-	10,075.00	
Purchase of shares of MEP Roads & Bridges Private Limited	-	-	1.00	-	-	-	-	-	-	-	-	-	1.00	
Purchase of shares of MEP Toll & Infrast Private Limited	-	-	1.00	-	-	-	-	-	-	-	-	-	1.00	
Purchase of shares of Mhaikar Toll Road Private Limited	-	-	1.00	-	-	-	-	-	-	-	-	-	1.00	
Purchase of shares of KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	0.33	-	-	-	0.33	

# Notes to financial statements

for the year ended 31 March 2015

	Holding Company			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Total			
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	
<b>Sale of investment (Equity contribution)</b>																
Ideal Toll & Infrastructure Private Limited	160.46	-	-	-	-	-	-	-	-	-	-	-	-	-	160.46	-
<b>Investment in preference shares</b>																
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	2,000.00	-	-	-	-	-	-	-	-	-	-	-	2,000.00	-
<b>Expenses incurred on our behalf by</b>																
MEP Infrastructure Private Limited	-	-	27.45	-	-	-	-	-	-	-	-	-	-	-	27.45	-
MEP Highway Solutions Private Limited	-	-	0.74	25.98	-	-	-	-	-	-	-	-	-	-	0.74	25.98
MEP Chennai Bypass Toll Road Private Limited	-	-	0.27	-	-	-	-	-	-	-	-	-	-	-	0.27	-
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	17.08	-	-	-	-	-	-	-	-	-	-	-	17.08	-
Raima Toll and Infrastructure Private Limited	-	-	57.64	-	-	-	-	-	-	-	-	-	-	-	57.64	-
Raima Toll Road Private Limited	-	-	-	104.71	-	-	-	-	-	-	-	-	-	-	-	104.71
<b>Expenses incurred on behalf of</b>																
Ideal Toll & Infrastructure Private Limited	0.34	384.94	-	-	-	-	-	-	-	-	-	-	-	-	0.34	384.94
MEP Infrastructure Private Limited	-	-	33.94	275.56	-	-	-	-	-	-	-	-	-	-	33.94	275.56
Baramati Tollways Private Limited	-	-	141.10	103.76	-	-	-	-	-	-	-	-	-	-	141.10	103.76
Raima Ventures Private Limited	-	-	256.64	28.51	-	-	-	-	-	-	-	-	-	-	256.64	28.51
Rideema Toll Bridge Private Limited	-	-	178.45	62.51	-	-	-	-	-	-	-	-	-	-	178.45	62.51
Rideema Toll Private Limited	-	-	-	0.11	-	-	-	-	-	-	-	-	-	-	-	0.11
MEP Chennai Bypass Toll Road Private Limited	-	-	256.70	118.44	-	-	-	-	-	-	-	-	-	-	256.70	118.44
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	509.95	81.90	-	-	-	-	-	-	-	-	-	-	509.95	81.90
MEP IRDP Solapur Toll Road Private Limited	-	-	93.70	121.37	-	-	-	-	-	-	-	-	-	-	93.70	121.37
Raima Toll Road Private Limited	-	-	128.42	0.11	-	-	-	-	-	-	-	-	-	-	128.42	0.11
Raima Toll and Infrastructure Private Limited	-	-	333.94	-	-	-	-	-	-	-	-	-	-	-	333.94	-
MEP Nagzari Toll Road Private Limited	-	-	96.09	75.79	-	-	-	-	-	-	-	-	-	-	96.09	75.79
MEP Roads & Bridges Private Limited	-	-	29.05	-	-	-	-	-	-	-	-	-	-	-	29.05	-
MEP RGSL Toll Bridge Private Limited	-	-	114.43	26.80	-	-	-	-	-	-	-	-	-	-	114.43	26.80
MEP Highway Solutions Private Limited	-	-	150.85	-	-	-	-	-	-	-	-	-	-	-	150.85	-
MEP Una Bus Terminal Private Limited	-	-	-	0.11	-	-	-	-	-	-	-	-	-	-	-	0.11
VCR Toll Services Private Limited	-	-	-	-	-	-	-	-	-	11.74	14.99	-	-	-	11.74	14.99
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	-	5.77	-	-	-	-	5.77	-
Jan Transport	-	-	-	-	-	-	-	-	-	6.00	-	-	-	-	6.00	-
Ideal Energy Projects Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.91
A J Tolls Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.15

# Notes to financial statements

for the year ended 31 March 2015

	Holding Company			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	
<b>Interest on loans given - Income</b>														
Baramati Tollways Private Limited	-	-	23.56	128.83	-	-	-	-	-	-	-	-	23.56	128.83
Rideema Toll Bridge Private Limited	-	-	127.23	206.18	-	-	-	-	-	-	-	-	127.23	206.18
Rideema Toll Private Limited	-	-	696.40	218.82	-	-	-	-	-	-	-	-	696.40	218.82
MEP Infrastructure Private Limited	-	-	24.71	4.56	-	-	-	-	-	-	-	-	24.71	4.56
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	366.17	138.60	-	-	-	-	-	-	-	-	366.17	138.60
MEP Chennai Bypass Toll Road Private Limited	-	-	63.41	97.81	-	-	-	-	-	-	-	-	63.41	97.81
MEP Nagzari Toll Road Private Limited	-	-	32.22	2.75	-	-	-	-	-	-	-	-	32.22	2.75
MEP IRDP Solapur Toll Road Private Limited	-	-	2.90	-	-	-	-	-	-	-	-	-	2.90	-
MEP Highway Solutions Private Limited	-	-	722.51	-	-	-	-	-	-	-	-	-	722.51	-
Raima Toll Road Private Limited	-	-	239.55	107.95	-	-	-	-	-	-	-	-	239.55	107.95
Raima Toll and Infrastructure Private Limited	-	-	6.23	-	-	-	-	-	-	-	-	-	6.23	-
Rideema Enterprises	-	-	-	-	-	-	-	-	-	-	-	6.62	-	6.62
<b>Interest on loans taken - expenses</b>														
Raima Ventures Private Limited	-	-	56.87	29.23	-	-	-	-	-	-	-	-	56.87	29.23
MEP RGSL Toll Bridge Private Limited	-	-	109.91	3.06	-	-	-	-	-	-	-	-	109.91	3.06
Raima Toll and Infrastructure Private Limited	-	-	71.59	-	-	-	-	-	-	-	-	-	71.59	-
MEP IRDP Solapur Toll Road Private Limited	-	-	0.67	-	-	-	-	-	-	-	-	-	0.67	-
<b>Income from toll collection</b>														
D S Enterprises	-	-	-	-	-	-	-	-	-	13,176.78	-	4,115.06	13,176.78	4,115.06
MEP Roads & Bridges Private Limited	-	-	2,405.93	-	-	-	-	-	-	-	-	-	2,405.93	-
<b>Road repairing charges received</b>														
MEP Infrastructure Private Limited	-	-	2,666.26	244.10	-	-	-	-	-	-	-	-	2,666.26	244.10
Raima Ventures Private Limited	-	-	906.96	-	-	-	-	-	-	-	-	-	906.96	-
Raima Toll and Infrastructure Private Limited	-	-	267.31	-	-	-	-	-	-	-	-	-	267.31	-
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	47.83	-	-	-	-	-	-	-	-	-	47.83
MEP RGSL Toll Bridge Private Limited	-	-	-	22.61	-	-	-	-	-	-	-	-	-	22.61
<b>Guarantees given on behalf of</b>														
Raima Toll Road Private Limited	-	-	-	8,050.00	-	-	-	-	-	-	-	-	-	8,050.00
MEP RGSL Toll Bridge Private Limited	-	-	-	4,000.00	-	-	-	-	-	-	-	-	-	4,000.00
Rideema Toll Bridge Private Limited	-	-	-	24,880.00	-	-	-	-	-	-	-	-	-	24,880.00
Raima Toll and Infrastructure Private Limited	-	-	4,808.00	-	-	-	-	-	-	-	-	-	4,808.00	-
MEP Roads & Bridges Private Limited	-	-	514.50	-	-	-	-	-	-	-	-	-	514.50	-
MEP Highway Solutions Private Limited	-	-	124.00	-	-	-	-	-	-	-	-	-	124.00	-
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	8,360	-	-	-	-	-	-	-	-	-	8,360.00

# Notes to financial statements

for the year ended 31 March 2015

	Holding Company			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Total			
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	
<b>II) Balances at the end of the year</b>																
<b>Loans given</b>																
MEP Infrastructure Private Limited	-	-	-	568.03	-	-	-	-	-	-	-	-	-	-	568.03	-
MEP Hamirpur Bus Terminal Private Limited	-	-	-	-	-	-	-	-	0.61	-	0.61	-	-	0.61	-	0.61
MEP Una Bus Terminal Private Limited	-	-	-	-	-	-	-	-	1.92	-	1.92	-	-	1.92	-	1.92
Raima Toll Road Private Limited	-	-	-	2,838.52	-	-	910.18	-	-	-	-	-	-	2,838.52	-	910.18
Ideal Energy Projects Limited	-	-	-	-	-	-	-	-	-	-	20.00	-	-	-	-	20.00
Rideema Toll Private Limited	-	-	-	5,387.68	-	-	5,322.20	-	-	-	-	-	-	5,387.68	-	5,322.20
Rideema Toll Bridge Private Limited	-	-	-	970.60	-	-	992.39	-	-	-	-	-	-	970.60	-	992.39
Baramati Tollways Private Limited	-	-	-	233.26	-	-	-	-	-	-	-	-	-	233.26	-	-
MEP Highway Solutions Private Limited	-	-	-	7,203.82	-	-	-	-	-	-	-	-	-	7,203.82	-	-
MEP Chennai Bypass Toll Road Private Limited	-	-	-	501.50	-	-	502.85	-	-	-	-	-	-	501.50	-	502.85
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	3,112.78	-	-	1,526.64	-	-	-	-	-	-	3,112.78	-	1,526.64
MEP IRDP Solapur Toll Road Private Limited	-	-	-	110.00	-	-	-	-	-	-	-	-	-	110.00	-	-
MEP RGSL Toll Bridge Private Limited	-	-	-	83.29	-	-	-	-	-	-	-	-	-	83.29	-	-
MEP Nagzari Toll Road Private Limited	-	-	-	393.89	-	-	160.53	-	-	-	-	-	-	393.89	-	160.53
<b>Non-current investment</b>																
MEP Infrastructure Private Limited	-	-	-	11,706.05	-	-	1,046.05	-	-	-	-	-	-	11,706.05	-	1,046.05
A J Tolls Private Limited	-	-	-	-	-	-	-	-	3.30	-	3.30	-	-	3.30	-	3.30
Raima Ventures Private Limited	-	-	-	1,149.89	-	-	1,149.89	-	-	-	-	-	-	1,149.89	-	1,149.89
Rideema Toll Private Limited	-	-	-	2,488.50	-	-	2,488.40	-	-	-	-	-	-	2,488.50	-	2,488.40
MEP Hamirpur Bus Terminal Private Limited	-	-	-	-	-	-	-	-	-	-	95.48	-	-	-	-	95.48
MEP Una Bus Terminal Private Limited	-	-	-	-	-	-	-	-	-	-	64.98	-	-	-	-	64.98
MEP Chennai Bypass Toll Road Private Limited	-	-	-	400.00	-	-	400.00	-	-	-	-	-	-	400.00	-	400.00
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	2,000.99	-	-	0.51	-	-	-	-	-	-	2,000.99	-	0.51
Raima Toll Road Private Limited	-	-	-	930.00	-	-	700.00	-	-	-	-	-	-	930.00	-	700.00
Raima Toll and Infrastructure Private Limited	-	-	-	700.00	-	-	-	-	-	-	-	-	-	700.00	-	-
MEP Nagzari Toll Road Private Limited	-	-	-	63.98	-	-	63.98	-	-	-	-	-	-	63.98	-	63.98
MEP IRDP Solapur Toll Road Private Limited	-	-	-	81.98	-	-	81.98	-	-	-	-	-	-	81.98	-	81.98
Rideema Toll Bridge Private Limited	-	-	-	267.98	-	-	267.98	-	-	-	-	-	-	267.98	-	267.98
MEP Tormato Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	-	-	1.00	-	-
MEP Infraprojects Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	-	-	1.00	-	-
MEP Infra Constructions Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	-	-	1.00	-	-

# Notes to financial statements

for the year ended 31 March 2015

	Holding Company			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
	2015	2014	2015	2015	2014	2015	2015	2014	2015	2014	2015	2014	2015	2014
MEP Roads & Bridges Private Limited	-	-	1.00	-	-	-	-	-	-	-	-	-	1.00	-
MEP Toll & Infrastr Private limited	-	-	1.00	-	-	-	-	-	-	-	-	-	1.00	-
Mhaikar Toll Road Private Limited	-	-	1.00	-	-	-	-	-	-	-	-	-	1.00	-
MEP RGSL Toll Bridge Private Limited	-	-	399.98	399.98	-	-	-	-	-	-	-	-	399.98	399.98
MEP Highway Solutions Private Limited	-	-	754.48	314.48	-	-	-	-	-	-	-	-	754.48	314.48
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	0.33	-	-	-	0.33	-
<b>Advances given</b>														
Ideal Toll & Infrastructure Private Limited	2,694.30	2,750.00	-	-	-	-	-	-	-	-	-	-	2,694.30	2,750.00
A J Tolls Private Limited	-	-	-	-	-	-	-	-	-	-	-	500.00	-	500.00
<b>Advance against acquisition of shares</b>														
Ideal Toll & Infrastructure Private Limited	-	584.80	-	-	-	-	-	-	-	-	-	-	-	584.80
MEP Infrastructure Private Limited	-	-	-	10,075.00	-	-	-	-	-	-	-	-	-	10,075.00
Rideema Toll Private Limited	-	-	114.98	114.98	-	-	-	-	-	-	-	-	114.98	114.98
Rideema Toll Bridge Private Limited	-	-	1,000.00	-	-	-	-	-	-	-	-	-	1,000.00	-
Raima Toll Road Private Limited	-	-	500.00	-	-	-	-	-	-	-	-	-	500.00	-
MEP Toll Gates Private Limited	-	-	-	-	-	-	0.16	-	-	-	-	-	0.16	0.16
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	250.00	-	-	-	-	-	-	-	-	-	250.00	-
Ideal Hospitality Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	2,090.00	-
Ideal Energy Projects Limited	-	-	-	-	-	-	-	-	-	-	-	-	0.48	0.48
MEP Chennai Bypass Toll Road Private Limited	-	-	116.00	-	-	-	-	-	-	-	-	-	116.00	-
Baramati Tollways Private Limited	-	-	6.00	-	-	-	-	-	-	-	-	-	6.00	-
MEP Highway Solutions Private Limited	-	-	164.00	200.00	-	-	-	-	-	-	-	-	164.00	200.00
<b>Advances taken</b>														
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	12,756.00	-	-	-	-	-	-	-	-	-	12,756.00	-
<b>Guarantees given on behalf of</b>														
Raima Ventures Private Limited	-	-	15,000.00	15,000.00	-	-	-	-	-	-	-	-	15,000.00	15,000.00
Baramati Tollways Private Limited	-	-	5,941.00	5,941.00	-	-	-	-	-	-	-	-	5,941.00	5,941.00
MEP Infrastructure Private Limited	-	-	275,857.00	275,857.00	-	-	-	-	-	-	-	-	275,857.00	275,857.00
MEP IRDP Solapur Toll Road Private Limited	-	-	637.50	637.50	-	-	-	-	-	-	-	-	637.50	637.50
MEP Nagzari Toll Road Private Limited	-	-	837.50	837.50	-	-	-	-	-	-	-	-	837.50	837.50
MEP Chennai Bypass Toll Road Private Limited	-	-	-	6,940.00	-	-	-	-	-	-	-	-	-	6,940.00
Raima Toll Road Private Limited	-	-	8,050.00	8,050.00	-	-	-	-	-	-	-	-	8,050.00	8,050.00
MEP RGSL Toll Bridge Private Limited	-	-	4,000.00	4,000.00	-	-	-	-	-	-	-	-	4,000.00	4,000.00
Raima Toll and Infrastructure Private Limited	-	-	4,808.00	-	-	-	-	-	-	-	-	-	4,808.00	-

# Notes to financial statements

for the year ended 31 March 2015

	Holding Company			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Total			
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	
Rideema Toll Bridge Private Limited	-	-	22,160.00	24,880.00	-	-	-	-	-	-	-	-	22,160.00	24,880.00	-	
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	8,360.00	8,360.00	-	-	-	-	-	-	-	-	8,360.00	8,360.00	-	
MEP Roads & Bridges Private Limited	-	-	514.50	-	-	-	-	-	-	-	-	-	514.50	-	-	
MEP Highway Solutions Private Limited	-	-	124.00	-	-	-	-	-	-	-	-	-	124.00	-	-	
<b>Loans taken from the related parties</b>																
Ideal Toll & Infrastructure Private Limited	-	406.46	-	-	-	-	-	-	-	-	-	-	-	406.46	-	
MEP IRDP Solapur Toll Road Private Limited	-	-	-	11.23	-	-	-	-	-	-	-	-	-	11.23	-	
Raima Ventures Private Limited	-	-	-	461.32	-	-	-	-	-	-	-	-	-	461.32	-	
MEP RGSL Toll Bridge Private Limited	-	-	-	2,244.78	-	-	-	-	-	-	-	-	-	2,244.78	-	
Mr. Jayant Mhaiskar	-	-	-	-	100.00	-	-	-	-	-	-	-	100.00	-	-	
<b>Trade receivables</b>																
MEP Roads & Bridges Private Limited	-	-	215.43	-	-	-	-	-	-	-	-	-	215.43	-	-	
Raima Ventures Private Limited	-	-	888.82	-	-	-	-	-	-	-	-	-	888.82	-	-	
Raima Toll and Infrastructure Private Limited	-	-	261.96	-	-	-	-	-	-	-	-	-	261.96	-	-	
D S Enterprises	-	-	-	-	-	-	-	-	2,551.53	-	-	-	2,551.53	2,241.76	2,241.76	
<b>Other receivables</b>																
Ideal Toll & Infrastructure Private Limited	-	-	160.80	-	-	-	-	-	-	-	-	-	160.80	-	-	
Baramati Tollways Private Limited	-	-	140.95	90.60	-	-	-	-	-	-	-	-	140.95	90.60	-	
Rideema Toll Bridge Private Limited	-	-	89.45	36.94	-	-	-	-	-	-	-	-	89.45	36.94	-	
MEP Infrastructure Private Limited	-	-	-	213.46	-	-	-	-	-	-	-	-	-	213.46	-	
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	399.34	39.59	-	-	-	-	-	-	-	-	399.34	39.59	-	
MEP Chennai Bypass Toll Road Private Limited	-	-	142.29	108.04	-	-	-	-	-	-	-	-	142.29	108.04	-	
MEP Nagzari Toll Road Private Limited	-	-	92.60	75.01	-	-	-	-	-	-	-	-	92.60	75.01	-	
Raima Toll Road Private Limited	-	-	117.45	-	-	-	-	-	-	-	-	-	117.45	-	-	
Raima Ventures Private Limited	-	-	185.17	14.60	-	-	-	-	-	-	-	-	185.17	14.60	-	
Raima Toll and Infrastructure Private Limited	-	-	113.87	-	-	-	-	-	-	-	-	-	113.87	-	-	
MEP RGSL Toll Bridge Private Limited	-	-	-	24.51	-	-	-	-	-	-	-	-	-	24.51	-	
MEP IRDP Solapur Toll Road Private Limited	-	-	90.46	116.44	-	-	-	-	-	-	-	-	90.46	116.44	-	
MEP Highway Solutions Private Limited	-	-	132.13	-	-	-	-	-	-	-	-	-	132.13	-	-	
VCR Toll Services Private Limited	-	-	-	-	-	-	-	-	11.74	-	-	-	11.74	14.80	14.80	
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	5.77	-	-	-	5.77	-	-	
<b>Interest receivable on loans given</b>																
Baramati Tollways Private Limited	-	-	96.60	75.39	-	-	-	-	-	-	-	-	96.60	75.39	-	
Rideema Toll Bridge Private Limited	-	-	-	185.56	-	-	-	-	-	-	-	-	-	185.56	-	

# Notes to financial statements

for the year ended 31 March 2015

	Holding Company			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	
MEP Infrastructure Private Limited	-	-	-	4.10	-	-	-	-	-	-	-	-	4.10	
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	376.47	124.74	-	-	-	-	-	-	-	-	376.47	
MEP Chennai Bypass Toll Road Private Limited	-	-	52.78	88.03	-	-	-	-	-	-	-	-	52.78	
MEP Nagzari Toll Road Private Limited	-	-	31.47	2.48	-	-	-	-	-	-	-	-	31.47	
MEP IRDP Solapur Toll Road Private Limited	-	-	-	2.61	-	-	-	-	-	-	-	-	2.61	
Raima Toll Road Private Limited	-	-	154.88	97.16	-	-	-	-	-	-	-	-	154.88	
Rideema Toll Private Limited	-	-	821.35	194.58	-	-	-	-	-	-	-	-	821.35	
MEP Highway Solutions Private Limited	-	-	577.17	-	-	-	-	-	-	-	-	-	577.17	
<b>Interest payable on loans taken</b>														
Raima Ventures Private Limited	-	-	-	26.31	-	-	-	-	-	-	-	-	26.31	
MEP RGSL Toll Bridge Private Limited	-	-	-	2.75	-	-	-	-	-	-	-	-	2.75	
<b>Margin Money/Performance Security received</b>														
MEP Chennai Bypass Toll Road Private Limited	-	-	594.00	-	-	-	-	-	-	-	-	-	594.00	
MEP Roads & Bridges Private Limited	-	-	514.50	-	-	-	-	-	-	-	-	-	514.50	
<b>Other current liabilities</b>														
Raima Toll Road Private Limited	-	-	-	114.25	-	-	-	-	-	-	-	-	114.25	
MEP Highway Solutions Private Limited	-	-	-	25.98	-	-	-	-	-	-	-	-	25.98	
MEP Infrastructure Private Limited	-	-	419.29	-	-	-	-	-	-	-	-	-	419.29	
MEP RGSL Toll Bridge Private Limited	-	-	12.20	-	-	-	-	-	-	-	-	-	12.20	
<b>Key Managerial remuneration payable</b>														
Mr. Murzash Manekshana	-	-	-	-	2.76	-	-	10.73	-	-	-	-	2.76	
Mr. Jayant Mhaiskar	-	-	-	-	5.73	-	-	-	-	-	-	-	5.73	

# Notes to financial statements

## for the year ended 31 March 2015

### 26.11 Domestic transfer pricing

The Indian Finance Bill, 2012 had sought to bring in certain class of domestic transactions in the ambit of the transfer pricing regulations with effect from 1 April 2012. The Company's management is of the opinion that its domestic transaction are at arm's length so that appropriate legislation will not have an impact on financial statements, particularly on the amount of tax expense and that of provision for taxation. The Company does not have any international transactions during the year.

### 26.12 Prior period expense (net)

Prior period expense (net) in the Statement of Profit and Loss is a net result of prior period charge towards maintenance cost paid to Authority of ₹ 50.88 lakhs, professional fees of ₹ 14.78 lakhs, ESIC of ₹ 1.50 lakhs, membership fees of ₹ 2.97 lakhs and prior period income of ₹ 40.89 lakhs towards reversal of share issue expenses charged in previous year. Prior period expense (net) in the Statement of Profit and Loss for the year ended 31 March 2014 is a net result of prior period charge towards concession fees paid to Authority ₹ 89.39 lakhs, ESIC of ₹ 1.87 lakhs and Toll Collection of ₹ 7.50 lakhs.

### 26.13 Other matters

Information with regards to other matters specified in Schedule III to the Act, is either nil or not applicable to the Company for the period.

### 26.14 Previous year comparatives

Previous year's figures have been reclassified wherever considered necessary to conform to the current year's presentation, details of the same are as follows:

Particulars	Note No.	Amount as per previous year financials	Adjustments	Revised amount for previous year
Trade payables	9	2,990.42	(58.13)	2,932.29
Other current liabilities	10	9,284.99	67.66	9,352.65
Long-term loans and advances	14	16,098.67	9.89	16,108.56
Trade receivables	16	2,321.71	(70.44)	2,251.27
Cash and bank balances	17	2,759.61	(1.15)	2,758.46
Short-term loans and advances	18	16,561.79	(733.21)	15,828.58
Other current assets	19	815.93	804.45	1,620.38

As per our report of even date attached.

#### For B S R and Co

Chartered Accountants  
Firm's Registration No: 128510W

#### Vijay Mathur

Partner  
Membership No: 046476

Mumbai

Date : August 4, 2015

#### For Parikh Joshi & Kothare

Chartered Accountants  
Firm's Registration No: 107547W

#### Yatin R. Vyavaharkar

Partner  
Membership No: 033915

Mumbai

Date : August 4, 2015

#### Jayant D. Mhaiskar

Managing Director  
DIN: 00716351

#### M. Sankaranarayanan

Chief Financial Officer

Mumbai

Date : August 4, 2015

#### For and on behalf of the Board of Directors of

MEP Infrastructure Developers Limited  
CIN: U45200MH2002PLC136779

#### Anuya J. Mhaiskar

Director  
DIN: 00707650

#### Shridhar Phadke

Company Secretary

# Independent Auditor's Report

To the Members of  
MEP Infrastructure Developers Limited

## REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have jointly audited the accompanying consolidated financial statements of MEP Infrastructure Developers Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31 March 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated 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 and consolidated cash flows of the Group including its jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity 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 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 financial statements by the Directors of the Holding Company, as aforesaid.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our joint audit. While conducting the joint 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 joint 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. 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 financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by one of the Joint auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our joint audit opinion on the consolidated financial statements.

## OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its jointly controlled entity as at 31 March 2015 and their consolidated loss and their consolidated cash flows for the year ended on that date.

## EMPHASIS OF MATTER

- (a) We draw attention to Note 28 of the consolidated financial statements relating to the payment of managerial remuneration of ₹ 120.00 lakhs in respect of one of the subsidiary companies which has been charged to the consolidated Statement of Profit and Loss of the current year in respect of which the said subsidiary has made an application to the Central Government which is pending its approval.

- (b) We draw attention to Note 21 (a) of the consolidated financial statements where it is mentioned that one of the subsidiary companies has lodged claims of ₹ 2,128.62 lakhs (previous year: ₹ 774.35 lakhs) with the National Highways Authority of India (NHAI) on an estimated basis and has recognised claims receivable amounting to ₹ 2,902.97 lakhs for the financial year ended 31 March 2015 (previous year: ₹ 774.35 lakhs) which is disclosed under "Other income" (note no. 23) and claims receivable under "Other Current Assets" (note no 21).

We draw attention to Note 29.3 of the consolidated financial statements dealing with non- recognition of contractual obligation to pay to National Highways Authority of India ('NHAI') a sum of ₹ 3,846.50 lakhs for the period from 1 November 2014 to 31 March 2015 in respect of one of the subsidiary companies. This is considering that during the financial year ended 31 March 2015, the said subsidiary has preferred claims with NHAI aggregating ₹ 9,565.13 lakhs (previous year ₹ 6,434.00 lakhs) on account of Toll Evasion and force majeure issues arising from non-compliance of the Concession Agreement by NHAI. The said subsidiary has not recognised the claims as income and/or reduced the liability in the financial statements pending final approval from NHAI. However, in the 3CGM Committee meeting held on 26 August 2014, NHAI has agreed that loss of revenue as assessed by Independent Engineer ("IE") shall be adjusted to the extent of outstanding concession fees payable to NHAI and the IE in his report dated 18 May 2015 has quantified the toll evasion at an amount which is higher than that submitted by the said subsidiary. Our opinion is not qualified in respect of the above matters.

## OTHER MATTERS

- (a) The financial statements/financial information of seventeen subsidiaries, whose financial statements/financial information reflect total assets of ₹ 109,491.76 lakhs as at 31 March 2015, total revenues of ₹ 77,084.70 lakhs and net cash outflows amounting to ₹ 497.59 lakhs for the year ended on that date, as considered in the consolidated financial statements have been audited by one of the Joint auditors, Parikh Joshi & Kothare, Chartered Accountants and the joint opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and the report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of such Joint auditors.
- (b) We did not audit the financial statements/financial information of a jointly controlled entity, whose financial statements/financial information reflect total assets of ₹ 4.29 lakhs as at 31 March 2015, total revenues of ₹ Nil and net cash flows amounting to ₹ 1 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information are unaudited and 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 this jointly controlled entity, and our report in terms of sub section (3) and (11) of Section 143 of the Act, insofar as it relates to the jointly controlled entity is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated 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 the reports of the Joint auditors and the financial statements/financial information certified by the management.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and its subsidiary companies, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the Joint auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

# Independent Auditor's Report

- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group's companies is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entity— Refer Note 29.1 to the consolidated financial statements.
  - ii. The Group and its jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and its jointly controlled entity.

For **B S R and Co**  
Chartered Accountants  
Firm's Registration No: 128510W

**Vijay Mathur**  
Partner  
Membership No: 046476

Mumbai  
August 4, 2015

For **Parikh Joshi & Kothare**  
Chartered Accountants  
Firm's Registration No: 107547W

**Yatin R. Vyavaharkar**  
Partner  
Membership No: 033915

Mumbai  
August 4, 2015

# Annexure I to the Independent Auditors' Report -

## March 31, 2015

**(Referred to in our report of even date)**

As stated in Para 1 of 'Report on Other Legal and Regulatory Requirements' in our Auditors' Report of even date, the following statement is based on the comments in the auditors' reports on the standalone financial statements of the Holding Company and its subsidiary companies.

- (i)
  - (a) The Holding Company and its subsidiary companies have maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The Holding Company and thirteen subsidiary companies have a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner largely over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Holding Company and its subsidiary companies and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the management during the year and no material discrepancies have been noticed on such verification. Six subsidiary companies do not have any fixed assets. Accordingly, paragraph 3(i) of the Order is not applicable to these subsidiaries.
- (ii) In our opinion and according to the information and explanations given to us, the Group is engaged in toll collection along with other ancillary activities such as road repairs and maintenance of flyovers, roads and allied structures. Accordingly, it does not hold any physical inventories. Accordingly, paragraph 3(ii) of the Order is not applicable to the Group.
- (iii) One of the subsidiary companies has granted an unsecured loan to one company covered in the register maintained under Section 189 of the Act.
  - a) In the case of the loan granted to the company listed in the register maintained under section 189 of the Act, the borrower has been regular in the payment of the interest as stipulated. There is no principal amount due for payment during the year.
  - b) There is no overdue amount of more than rupees one lakh in respect of the loan granted to the company listed in the register maintained under Section 189 of the Act.
- (iv) In their opinion and according to the information and explanations obtained by the statutory auditors of the Holding Company, and its subsidiary companies, these companies have an adequate internal control system commensurate with the respective size of each company and the nature of its business with regard to purchase of fixed assets and with regard to sale of services and there is no major weakness in the internal control system during the course of the audit. The Group does not have any purchase of inventory and sale of goods during the year.
- (v) The Holding Company and its subsidiary companies have not accepted any deposits in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) The statutory auditors of the Holding company and its six subsidiary companies have broadly reviewed the books of account maintained by each company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, the statutory auditors have not made a detailed examination of the records. In respect of thirteen subsidiary companies, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act.
- (vii)
  - (a) According to the information and explanations given to and on the basis of the examination of the records of the Holding Company and its subsidiary companies by their respective statutory auditors, amounts deducted/accrued in their books of account to the extent applicable to these companies in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, value added tax and any other material statutory dues have been generally regularly deposited during the year by each of these companies with the appropriate authorities except in case of two subsidiaries for dues of income-tax in which there have been significant delays in few instances. According to the information and explanations given to the respective statutory auditors, the Group did not have dues on account of customs duty, excise duty and cess.

# Annexure I to the Independent Auditors' Report - March 31, 2015

According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies, no undisputed dues in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, value added tax and any other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable except for the following income- tax dues:

Name of the Statute	Nature of the Dues	Period to which the amount related	Amount (₹ in lakhs)	Due date	Date of Payment
Income Tax Act, 1961	Income Tax	AY 2015-16	80.34	Within 7 days from the end of the respective month	04 August 2015

(b) According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies, there are no dues of income-tax, sales tax, wealth tax, service tax, value added tax and any other statutory dues which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(c)

Name of the Statute	Nature of the Dues	Financial Year	Amount (₹ in lakhs)	Forum where dispute is pending
The Finance Act, 1994	Service Tax	2007-08 to 2011-12	8,171.18	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
Income Tax Act, 1961	Income Tax	2007-08	1.36	Income Tax Appellate Tribunal (ITAT)

to the information and explanations given to and on the basis of the examination by the respective statutory auditors of the records of the Holding Company and its subsidiary companies, there are no amounts which were required to be transferred to the investor education and protection fund.

- (viii) The Holding company (on a standalone basis) and one of its subsidiary companies do not have any accumulated losses at the end of the financial year and have not incurred cash losses during the current financial year and in the immediately preceding financial year. Two subsidiary companies have accumulated losses of more than fifty percent of net worth as at 31 March 2015 and have incurred cash losses during the current financial year and in the immediately preceding financial year. As a period of five years has not elapsed at the balance sheet date since the date of incorporation, the provisions of paragraph 3 (viii) of the Order is not applicable to sixteen subsidiary companies. On a consolidated basis, the Group's accumulated losses are more than fifty percent of its consolidated net worth as at 31 March 2015, and the Group has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- (ix) In their opinion and according to the information and explanations given to the statutory auditors of the Holding Company and four subsidiary companies, such companies have not defaulted in repayment of their respective dues to their bankers or financial institutions except for principal amount of loan due to financial institutions ranging from Rs. 0.42 lakhs to Rs. 13.81 lakhs which is overdue for a period ranging from 1 day to 32 days and for principal amount of loans due to banks ranging from Rs. 1.04 lakhs to Rs.3,749.34 lakhs which is overdue for a period ranging from 1 day to 60 days and for interest on loans due to banks and financial institutions ranging from Rs. 0.05 lakhs to Rs. 884.68 lakhs which is overdue for a period ranging from 1 day to 83 days. The amounts as mentioned above have been repaid on various dates during the year and also subsequent to the year end. Six subsidiaries have not taken any loan from financial institutions or banks. Accordingly, paragraph 3(ix) of the Order is not applicable to the said six subsidiaries. The Holding company and its subsidiary companies did not have any outstanding dues to any debenture holders during the year.

- (x) In our opinion and according to the information and explanations given to us, the terms and conditions on which the Holding Company has given guarantees for loans taken by others from banks or financial institutions are not, prima facie, prejudicial to the interest of the Holding Company. The subsidiary companies have not given any guarantees for loans taken by others from bank or financial institution and accordingly paragraph 3(x) of the Order is not applicable to the subsidiary companies.
- (xi) In their opinion and according to the information and explanations given to the respective statutory auditors, six subsidiary companies have not raised any term loans during the year and the term loans taken by the Holding Company and thirteen subsidiary companies have been applied for the purpose for which the terms loans were obtained.
- (xii) According to the information and explanations given to the respective statutory auditors of the Holding Company and its subsidiary companies, no instance of fraud on or by each company have been noticed or reported during the course of audit by the statutory auditors of the Holding Company and its subsidiary companies.

For **B S R and Co**  
Chartered Accountants  
Firm's Registration No: 128510W

For **Parikh Joshi & Kothare**  
Chartered Accountants  
Firm's Registration No: 107547W

**Vijay Mathur**  
Partner  
Membership No: 046476

**Yatin R. Vyavaharkar**  
Partner  
Membership No: 033915

Mumbai  
August 4, 2015

Mumbai  
August 4, 2015

# Consolidated Balance Sheet

as at March 31, 2015

(₹ in Lakhs)

	Notes	31 March 2015	31 March 2014
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	4	11,149.43	10,000.00
Reserves and surplus	5	(33,793.90)	(18,782.90)
		<b>(22,644.47)</b>	(8,782.90)
Minority interest		-	87.89
<b>Non-current liabilities</b>			
Long-term borrowings	6	295,676.18	286,626.29
Other Long-term liabilities	7	10,440.00	15,660.00
Long-term provisions	8	227.38	145.77
		<b>306,343.56</b>	302,432.06
<b>Current liabilities</b>			
Short-term borrowings	9	20,716.37	13,867.73
Trade payables	10	26,627.55	14,635.86
Other current liabilities	11	32,469.97	31,153.77
Short-term provisions	8	48.23	34.10
		<b>79,862.12</b>	59,691.46
<b>TOTAL</b>		<b>363,561.22</b>	353,428.51
<b>II ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
- Goodwill on consolidation	12	2,652.04	6,967.47
- Tangible fixed assets		2,833.47	2,525.80
- Intangible fixed assets		210,107.85	226,876.07
- Capital work in progress		1,626.84	577.77
Non-current investments	13	2,161.21	62.67
Deferred tax assets (net)	14	9,419.97	7,559.96
Long-term loans and advances	15	89,342.97	75,189.82
Other non-current assets	16	3,872.62	2,194.55
		<b>322,016.97</b>	321,954.12
<b>Current assets</b>			
Current investments	17	1,063.30	0.11
Trade receivables	18	2,582.75	2,874.66
Cash and bank balances	19	13,481.78	16,226.16
Short-term loans and advances	20	18,116.83	9,152.53
Other current assets	21	6,299.59	3,220.94
		<b>41,544.25</b>	31,474.39
<b>TOTAL</b>		<b>363,561.22</b>	353,428.51
<b>Significant accounting policies</b>	3		
<b>Notes to the consolidated financial statements</b>	1-2, 4 - 29		
The notes referred to above form an integral part of the consolidated financial statements.			

As per our report of even date attached.

**For B S R and Co**  
Chartered Accountants  
Firm's Registration No: 128510W

**For Parikh Joshi & Kothare**  
Chartered Accountants  
Firm's Registration No: 107547W

For and on behalf of the Board of Directors of  
MEP Infrastructure Developers Limited  
CIN: U45200MH2002PLC136779

**Vijay Mathur**  
Partner  
Membership No: 046476

**Yatin R. Vyavaharkar**  
Partner  
Membership No: 033915

**Jayant D. Mhaikar**  
Managing Director  
DIN: 00716351

**Anuya J. Mhaikar**  
Director  
DIN: 00707650

Mumbai  
Date : August 4, 2015

Mumbai  
Date : August 4, 2015

**M. Sankaranarayanan**  
Chief Financial Officer

**Shridhar Phadke**  
Company Secretary

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2015

(₹ in Lakhs)

	Notes	31 March 2015	31 March 2014
<b>Income</b>			
Revenue from operations	22	198,426.03	119,790.55
Other income	23	5,703.62	4,329.26
<b>Total revenue</b>		<b>204,129.65</b>	124,119.81
<b>Expenses</b>			
Operating and maintenance expenses	24	145,702.59	80,153.30
Employee benefits	25	7,155.90	4,985.88
Depreciation and amortisation	26	17,993.76	13,031.13
Finance costs	27	40,361.32	37,970.84
Other expenses	28	3,556.35	3,499.70
<b>Total expenses</b>		<b>214,769.92</b>	139,640.85
<b>Loss before tax and prior period items</b>		(10,640.27)	(15,521.04)
Prior period expenses (net)	29.11	(106.34)	(98.75)
<b>Loss before tax after prior period items</b>		<b>(10,746.61)</b>	(15,619.79)
<b>Tax expenses</b>			
Current tax (including for earlier years ₹ 214.47 lakhs (Previous year ₹ 19.21))		2,729.20	311.80
Mat credit entitlement		(82.49)	(29.73)
Deferred tax (credit)	14	(1,860.01)	(2,641.05)
<b>Loss after tax, before minority interest</b>		<b>(11,533.31)</b>	(13,260.81)
Add: (profit) / loss attributable to Minority Shareholders		-	(86.80)
Add: Pre-acquisition profit/loss adjustment		-	429.46
<b>Loss after tax</b>		<b>(11,533.31)</b>	(12,918.15)
<b>Earnings per equity share</b>			
- Basic	29.5	(10.51)	(12.92)
- Diluted		(10.51)	(12.92)
<b>[(Nominal value per share ₹10) (previous year : ₹10)]</b>			
<b>Significant accounting policies</b>	3		
<b>Notes to the consolidated financial statements</b>	1-2, 4 - 29		

The notes referred to above form an integral part of the consolidated financial statement

As per our report of even date attached.

**For B S R and Co**  
Chartered Accountants  
Firm's Registration No: 128510W

**For Parikh Joshi & Kothare**  
Chartered Accountants  
Firm's Registration No: 107547W

For and on behalf of the Board of Directors of  
MEP Infrastructure Developers Limited  
CIN: U45200MH2002PLC136779

**Vijay Mathur**  
Partner  
Membership No: 046476

**Yatin R. Vyavaharkar**  
Partner  
Membership No: 033915

**Jayant D. Mhaiskar**  
Managing Director  
DIN: 00716351

**Anuya J. Mhaiskar**  
Director  
DIN: 00707650

Mumbai  
Date : August 4, 2015

Mumbai  
Date : August 4, 2015

**M. Sankaranarayanan**  
Chief Financial Officer

**Shridhar Phadke**  
Company Secretary

Mumbai  
Date : August 4, 2015

# Consolidated Cash Flow Statement

for the year ended 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>Cash flows from operating activities</b>		
<b>Net (loss) / profit before tax</b>	(10,746.61)	(15,619.79)
Adjustments:		
Depreciation and amortisation	17,993.76	13,031.13
Profit on sale of investment in subsidiary	(47.32)	-
Interest income	(3,039.07)	(2,477.08)
(Profit) / Loss on sale of fixed assets	(18.10)	28.59
Fixed Assets written off	-	1.86
Provision for wealth tax	2.61	2.80
Profit on sale of mutual fund investments	(0.08)	(0.16)
Finance cost	40,361.32	37,970.84
Dividend income	(63.87)	(1.03)
Provisions no longer required written back	(64.88)	(122.99)
<b>Operating profit before working capital changes</b>	<b>44,377.76</b>	32,814.17
<b>Adjustments for movements in working capital</b>		
(Increase)/ Decrease in loans and advances	(17,860.95)	1,124.71
(Increase)/ Decrease in trade receivables	291.82	965.54
Increase/ (Decrease) in trade payables	11,991.67	12,464.94
Increase/ (Decrease) in provisions	95.75	63.05
Increase/ (Decrease) in other liabilities	(4,040.61)	1,424.73
Increase/ (Decrease) in other assets	(3,324.45)	(1,039.38)
<b>Cash generated from operations</b>	<b>31,531.00</b>	47,817.76
Income taxes refunded / (paid)	(3,977.78)	(860.91)
<b>Net cash provided by operating activities</b>	<b>(A) 27,553.22</b>	46,956.85
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(2,725.88)	(1,601.32)
Purchase of Intangible assets	-	(5,670.28)
Proceeds from sale of fixed assets	40.61	16.00
Repayment of loans and advances to Enterprises over which significant influence is exercised by key management personnel	1,655.36	-
Payment for purchase of current investments	(1,141.71)	(1,060.49)
Proceeds from sale / maturity of current investments	74.21	1,012.15
Sale of investment in Enterprises over which significant influence is exercised by key management personnel	160.95	300.00
Investment in fixed deposits	(11,179.99)	(11,515.01)
Redemption / maturity of fixed deposits	9,852.62	13,026.71
Investment in enterprises over which significant influence is exercised by key managerial personnel	(2,090.00)	(9.99)
Loans given	(6,526.45)	-
Dividend received	63.87	1.03

(₹ in Lakhs)

**31 March 2015**    **31 March 2014**

Interest received		3,095.27	718.51
<b>Net cash used by investing activities</b>	<b>(B)</b>	<b>(8,721.14)</b>	(4,782.69)
<b>Cash flows from financing activities</b>			
Proceeds from share application money received/paid		2,500.00	(12,443.58)
Proceeds from borrowings		32,909.98	38,380.69
Repayment of borrowings		(15,828.99)	(30,542.56)
Finance cost paid		(41,142.95)	(35,044.91)
<b>Net cash used by financing activities</b>	<b>(C)</b>	<b>(21,561.96)</b>	(39,650.36)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(A+B+C)</b>	(2,729.89)	2,523.80
Cash and cash equivalents at beginning of the year		7,641.33	5,117.53
<b>Cash and cash equivalents at end of the year (refer note 1 below)</b>		<b>4,911.44</b>	7,641.33

**Notes to the Cash Flow Statement**
**Components of cash and cash equivalents**

Cash on hand		2,236.84	4,468.90
Balance with banks			
- in current accounts		2,638.73	3,150.58
- in fixed deposit		35.87	21.85
		<b>4,911.44</b>	7,641.33

The Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 ('AS-3') on cash flow statements as specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

**For B S R and Co**

Chartered Accountants  
Firm's Registration No: 128510W

**For Parikh Joshi & Kothare**

Chartered Accountants  
Firm's Registration No: 107547W

For and on behalf of the Board of Directors of  
MEP Infrastructure Developers Limited  
CIN: U45200MH2002PLC136779

**Vijay Mathur**

Partner  
Membership No: 046476

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Managing Director  
DIN: 00716351

**M. Sankaranarayanan**  
Chief Financial Officer

Mumbai  
Date : August 4, 2015

**Anuya J. Mhaikar**

Director  
DIN: 00707650

**Shridhar Phadke**  
Company Secretary

# Notes to the consolidated financial statements

## for the year ended 31 March 2015

### 1 COMPANY OVERVIEW

MEP Infrastructure Developers Limited ('MEPIDL' or 'the Company') (formerly known as MEP Infrastructure Developers Private Limited) was incorporated on 8 August 2002 under Companies Act, 1956. The Company and its subsidiaries and a Jointly controlled entity (collectively referred to as 'the Group') are into the business of collection of toll as per the contracts entered with various authorities along with other ancillary activities such as road repairs and maintenance of flyovers, roads and allied structures.

The Company has undertaken following contracts for toll collection:

Rajasthan State Road Development & Construction Corporation Limited, 'RSRDC' at Gazipur & Phulwada.

Maharashtra State Road Development Corporation Limited, 'MSRDC' at Katai & Gove

Road Infrastructure Development Company of Rajasthan Limited, 'RIDCOR' at:

a) Alwar - Bhiwadi

b) Lalsot - Kota

c) Alwar - Sikandara

National Highways Authority of India, 'NHA' at:

Toll Name	
Athur	Gurau (Semra-Atikabad)
Bankapur	Paduna
Belyad	Palsit
Brijghat	Panikoli
Chamari	Pudukottai
Chirle - Karanjade	Surajbari
Dankuni	Tendua
Dasna	Tundla
Dastan	

The Company is a subsidiary of Ideal Toll & Infrastructure Private Limited ('the Holding Company'), a Company incorporated in India.

#### Subsequent event

Subsequent to the year end, the Company was listed on the National Stock Exchange and Bombay Stock Exchange on 6 May 2015 pursuant to the Initial Public Offering.

### 2 DETAILS OF SUBSIDIARIES AND JOINTLY CONTROLLED ENTITY

The list of companies which are included in these consolidated financial statements are as under:

Name of the Company	Country of origin	% Holding 31 March, 2015	% Holding 31 March, 2014	Net Assets		Share in Profit or Loss		
				As % of Consolidated net assets	Amount	As % of Consolidated Profit or loss	Amount	
Parent Company								
MEP Infrastructure Developers Limited	India	-	-	114%	25,865.68	14.00%	1,615.12	
Subsidiaries								
MEP Infrastructure Private Limited	India	99.99%	73.99%	-104%	(23,560.62)	-67.18%	(7,748.07)	
Raima Ventures Private Limited	India	100.00%	99.99%	-3%	(637.96)	-7.46%	(859.84)	
Rideema Toll Private Limited	India	100.00%	99.54%	-2%	(514.06)	-6.27%	(723.11)	
Baramati Tollways Private Limited (Through Rideema Toll Private Limited, indirectly)	India	99.99%	98.00%	3%	624.75	-5.53%	(638.17)	
Rideema Toll Bridge Private Limited	India	100.00%	99.99%	3%	578.01	1.81%	208.42	
MEP Nagzari Toll Road Private Limited	India	100.00%	99.96%	-2%	(396.83)	-1.33%	(153.87)	
MEP IRDP Solapur Toll Road Private Limited	India	100.00%	99.98%	-0%	(24.41)	0.09%	10.68	
MEP Hyderabad Bangalore Toll Road Private Limited	India	98.90%	51.00%	3%	771.26	-12.18%	(1,404.92)	
MEP Hamirpur Bus Terminal Private Limited	India	-	99.98%	0%	-	0.00%	-	
MEP Una Bus Terminal Private Limited	India	-	99.96%	0%	-	0.00%	-	
Raima Toll Road Private Limited	India	100.00%	99.99%	8%	1,789.46	8.83%	1,018.69	
MEP Chennai Bypass Toll Road Private Limited	India	100.00%	99.99%	-40%	(9,106.69)	-38.44%	(4,432.85)	
MEP Highway Solutions Private Limited	India	100.00%	99.99%	6%	1,257.47	3.56%	410.96	

# Notes to the consolidated financial statements

## for the year ended 31 March 2015

MEP RGSL Toll Bridge Private Limited (Formerly known as MEP Projects Private Limited)	India	100.00%	99.99%	4%	987.66	5.39%	621.43
Raima Toll and Infrastructure Private Limited (Formerly known as Raima Manpower and Consultancy Services Private Limited)	India	100.00%	99.99%	5%	1,129.22	3.72%	429.26
MEP Roads & Bridges Private Limited	India	100.00%	-	0%	70.42	0.60%	69.42
Mhaiskar Toll Road Private Limited	India	100.00%	-	0%	0.69	-0.00%	(0.31)
MEP Infra Constructions Private Limited	India	100.00%	-	0%	0.69	-0.00%	(0.31)
MEP Infra Projects Private Limited	India	100.00%	-	0%	0.68	-0.00%	(0.32)
MEP Toll & Infrastructure Private Limited	India	100.00%	-	0%	0.69	-0.00%	(0.31)
MEP Tormato Private Limited	India	100.00%	99.99%	-0%	(0.18)	-0.01%	(1.18)
Jointly Controlled Entity							
KVM Technology Solutions Private Limited	India	33.33%	-	-0%	(0.51)	-0.01%	(0.84)
Total Elimination				-95%	(21,479.90)	0.40%	46.81
<b>Total</b>				<b>100%</b>	<b>(22,644.47)</b>	<b>100%</b>	<b>(11,533.31)</b>

### 3 SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') including Accounting Standards specified under section 133 of the Companies Act, 2013 (the Act) read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lakhs.

#### 3.2 Principles of consolidation

The consolidated financial statements have been prepared on the following basis:

- The consolidated financial statements of the Company and its subsidiaries and jointly controlled entity are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and resultant unrealized profits or losses in accordance with the Accounting Standard - 21 'Consolidated Financial Statements' and Accounting Standard - 27 'Financial Reporting of Interest in Joint Ventures' specified under section 133 of the Companies Act, 2013 (the Act) read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Investments in subsidiaries are eliminated and differences between the cost of investments over the net assets on the date of the investments in subsidiaries are recognised as goodwill or capital reserve, as the case may be.
- The difference between the proceeds from disposal of investment in a subsidiary and the proportionate carrying amount of its assets less liabilities as of the date of disposal is recognised in the Consolidated Statement of Profit and Loss as the profit or loss on disposal of investments in subsidiaries.
- Share of minority interest in the net profit is adjusted against the income to arrive at the net income attributable to shareholders of the parent company. Minority interest's share of net assets is presented separately in the balance sheet.
- If losses applicable to minority interest in a consolidated subsidiary exceed the minority interests in the subsidiary's equity, the excess and any further losses applicable to the minority interest are allocated against the majority's interest, except to the extent that the minority interest has a binding obligation and is able to, make good the losses. If the subsidiary subsequently reports profits, such profits are allocated to the majority's interest until the minority interest's share of losses previously absorbed by the majority's interest have been recovered.
- Interest in Jointly controlled entity is reported using the proportionate consolidation method.
- Any excess of the cost to the venturer of its interest in a jointly controlled entity over its share of net assets of the jointly controlled entity, at the date on which interest in the jointly controlled entity is acquired, is recognised as goodwill, and separately disclosed in the consolidated financial statements. When the cost to the venturer of its interest in a jointly controlled entity is less than its share of the net assets of the jointly controlled entity, at the date on which interest in the jointly controlled entity is acquired, the difference is treated as a capital reserve in the consolidated financial statements. Where the carrying amount of the venturer's interest in a jointly controlled entity is different from its cost, the carrying amount is considered for the purpose of above computations.

# Notes to the consolidated financial statements

## for the year ended 31 March 2015

The losses pertaining to one or more investors in a jointly controlled entity may exceed their interests in the equity of the jointly controlled entity. Such excess, and any further losses applicable to such investors, are recognised by the venturers in the proportion of their shares in the venture, except to the extent that the investors have a binding obligation to, and are able to, make good the losses. If the jointly controlled entity subsequently reports profits, all such profits are allocated to venturers until the investors' share of losses previously absorbed by the venturers has been recovered.

- h) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's stand alone financial statements.
- i) Goodwill on consolidation is not amortised but is tested for impairment on each balance sheet date and impairment losses are recognised, wherever applicable.
- j) The financial statements of the subsidiaries/Joint ventures used for the purpose of consolidation are drawn upto the same reporting date as that of the parent Company, i.e. 31 March 2015.

### 3.3. Current / non-current classification

- (a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within twelve months after the Balance Sheet date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the Balance Sheet date.

All other assets are classified as non-current.

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

- (a) it is expected to be settled in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the Balance Sheet date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date.

All other liabilities are classified as non-current.

### **Operating cycle**

Based on the nature of activities and the time between the acquisition of assets and their realisation in cash and cash equivalents, the Company/Group has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

### 3.4 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

### 3.5 Revenue recognition

Revenue is recognised to the extent it is probable that the future economic benefits will flow to the Group and the revenue can be reliably measured.

#### **Toll collection**

Revenue from toll collection is recognised on actual collection of revenue and in case of contractual terms with certain customers the same is recognised on an accrual basis.

#### **Road repair and maintenance**

Revenue from road repair and maintenance work is recognised upon completion of services as per contractual terms.

# Notes to the consolidated financial statements

## for the year ended 31 March 2015

### **Interest and dividend income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividends are recorded as and when the same is received.

### **3.6 Fixed assets**

#### ***Tangible fixed assets***

Tangible fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

Expenditure incurred on acquisition / construction of tangible fixed assets which are not ready for their intended use as at the Balance Sheet date are disclosed under capital work -in -progress.

### **3.7 Depreciation and amortisation**

#### ***Depreciation***

Depreciation on fixed assets upto 31 March 2014 was provided on written down value method as per the rates prescribed under Schedule XIV of the Companies Act, 1956. Pursuant to the notification of Schedule II of the Companies Act, 2013 by Ministry of Corporate Affairs effective 01 April 2014, the Management has reassessed the useful lives and accordingly depreciation on fixed assets for the year ended 31 March 2015 is provided on the written down value method, at useful lives prescribed in Schedule II of the Companies Act 2013. Depreciation on addition/deletion of fixed assets during the year is provided on pro-rata basis from / to the date of addition/deletion. Fixed assets costing up to ₹5,000 individually are fully depreciated in the year of purchase. (Also, refer note 12)

#### ***Amortisation***

Toll Collection Rights are amortised over the concession period, using revenue based amortisation as prescribed in Schedule II of the Act. Under this methodology, the carrying value of the rights is amortised in the proportion of actual toll revenue for the year to the projected revenue for the balance toll collection period, to reflect the pattern in which the assets economic benefits will be consumed. At each Balance Sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

### **3.8 Impairment of assets**

The Group assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of assets value in use and net selling price. After impairment if any, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss is increased or reversed on changes in internal /external factors.

### **3.9 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. Capitalisation of borrowing cost is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are expensed in the period they occur. Borrowing costs consists of interest and other cost that an entity incurs in connection with the borrowing of funds.

### **3.10 Taxation**

#### ***Income tax and deferred tax***

Income tax expense comprises current income tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year) and reversal of timing differences of earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however; where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

#### ***Minimum alternate tax (MAT)***

Minimum alternate tax (MAT) credit is recognised as an asset only when, and only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period for which the MAT credit can be carried forward or set off against

# Notes to the consolidated financial statements

## for the year ended 31 March 2015

the normal tax liability. MAT credit entitlement is reviewed at each Balance Sheet date and written down to the extent there is no convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### 3.11 Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit/loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit/loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares outstanding during the period, except where the results would be anti-dilutive.

### 3.12 Employee benefits

#### i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service.

#### ii) Post employment benefits

Defined contribution plans

The Company's/Group's contribution to defined contribution plans such as Provident Fund, Employee State Insurance and Maharashtra Labour Welfare Fund are recognised in the Consolidated Statement of Profit and Loss on an accrual basis.

#### *Defined benefit plans*

##### **Gratuity**

The Company's/Group's gratuity benefit scheme is a defined benefit plan. The Company's/Group's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date. When the calculation results in a benefit to the Company's/Group's, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

### 3.13 Operating leases

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Consolidated Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

### 3.14 Investments

Long term investments are valued at cost, less provision for other than temporary diminution in value, if any. Current investments are valued at the lower of cost and fair value.

### 3.15 Provisions and contingencies

The Company/Group recognises a provision when there is present obligation as a result of a past (or obligating) event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for the contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised, nor disclosed in the consolidated financial statements.

# Notes to the consolidated financial statements

as at 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>4. SHARE CAPITAL</b>		
<b>Authorised</b>		
200,000,000 (previous year : 150,000,000) equity shares of ₹10 each	20,000.00	15,000.00
<b>Issued, subscribed and paid-up</b>		
111,494,250 (previous year : 100,000,000) equity shares of ₹10 each fully paid	11,149.43	10,000.00
	<b>11,149.43</b>	<b>10,000.00</b>

(a) **Reconciliation of shares outstanding at the beginning and at the end of the year**

(₹ in Lakhs)

	31 March 2015		31 March 2014	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding, beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Shares issued during the year	11,494,250	1,149.43	-	-
Shares outstanding, end of the year	111,494,250	11,149.43	100,000,000	10,000.00

(b) **Rights, preferences and restrictions attached to equity shares**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(c) **Shares held by its holding company**

(₹ in Lakhs)

	31 March 2015		31 March 2014	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹10 each fully paid held by:				
Ideal Toll & Infrastructure Private Limited (Holding Company)	59,940,407	5,994.04	51,419,300	5,141.93
	<b>59,940,407</b>	<b>5,994.04</b>	51,419,300	5,141.93

(d) **Particulars of shareholders holding more than 5% shares:**

(₹ in Lakhs)

Name of Shareholder	31 March 2015		31 March 2014	
	No. of shares	% No. of shares	No. of shares	%
Equity shares of ₹10 each, fully paid-up are held by :				
Ideal Toll & Infrastructure Private Limited (Holding Company)	59,940,407	53.76%	51,419,300	51.42%
Dattatray P. Mhaiskar jointly with Sudha Dattatray Mhaiskar	25,218,780	22.62%	25,218,780	25.22%
Jayant Dattatray Mhaiskar jointly with Anuya Jayant Mhaiskar (Directors)	11,227,920	10.07%	11,227,920	11.23%
Jayant Dattatray Mhaiskar (Vice Chairman & Managing Director)	11,003,300	9.87%	11,003,300	11.00%
	<b>107,390,407</b>	<b>96.32%</b>	98,869,300	98.87%

Pursuant to an Initial Public Offering in May 2015 (refer Note 1), the aggregate shareholding of the above mentioned shareholders has subsequently decreased to 66.06%.

# Notes to the consolidated financial statements

## as at 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>5 RESERVES AND SURPLUS</b>		
<b>Deficit in the Statement of Profit and Loss</b>		
At the commencement of the year	(18,784.82)	(10,772.75)
Pre-acquisition reserve and surplus on further acquisition (refer note 12)	(4,828.27)	4,906.08
Loss for the year	(11,533.31)	(12,918.15)
Net deficit in the Statement of Profit and Loss	(35,146.40)	(18,784.82)
<b>Capital Reserve</b>		
At the commencement of the year	1.92	-
During the year	-	1.92
Closing capital Reserve	1.92	1.92
<b>Securities premium account</b>		
At the commencement of the year	-	-
Received during the year	1,350.58	-
Closing Securities premium account	1,350.58	-
<b>Total Reserve and Surplus</b>	<b>(33,793.90)</b>	<b>(18,782.90)</b>

(₹ in Lakhs)

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
<b>6 LONG-TERM BORROWINGS</b>				
<b>Secured loans</b>				
<b>Term loans</b>				
- from banks	77,445.56	63,108.56	12,906.82	11,108.30
- from financial institutions	217,628.34	222,978.88	4,046.84	5,007.27
<b>Vehicle loans</b>				
- from banks	300.72	385.82	143.73	127.35
- from financial institutions	17.14	3.00	11.17	18.73
<b>Commercial Equipment Loans</b>				
- from banks	284.42	150.03	83.06	35.53
	<b>295,676.18</b>	<b>286,626.29</b>	<b>17,191.61</b>	<b>16,297.18</b>

### i) Term loans taken by MEP Infrastructure Developers Limited

- i) Term loan includes loan from a bank amounting to ₹3,749.34 lakhs (previous year : ₹7,495.42 lakhs) which is secured by way of first charge of hypothecation / assignment / security interest on escrow account of the projects financed and also, by pledge of 500,000 equity shares and negative lien on 250,000 equity shares from IRB Infrastructure Developers Limited held by the promoters of the Company.

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited, the holding company and personal guarantee given by Mr. J.D. Mhaikar & Mr. D.P. Mhaikar, Directors of the Company. The term loan carries an interest rate calculated on base rate of the bank plus a spread of 300 basis points. The term loan is repayable in two equal installments of ₹3,750.00 lakhs from 1 March 2014.

As at 31 March 2015 the Company has delayed the repayment of principal installment amounting to ₹ 3,749.34 lakhs which was overdue for a period of 31 days. The delayed amount has been paid subsequently.

- ii) Term loan includes loan from a bank amounting to ₹16,975.00 lakhs (previous year : ₹Nil) which is secured by a first and exclusive charge as under:

# Notes to the consolidated financial statements

## as at 31 March 2015

- a) first exclusive charge on escrow account specifically maintained for maintenance income/receivables from the maintenance contract with MEP Infrastructure Private Limited, a subsidiary;
- b) first mortgage and charge on all immovable and movable properties of the Company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties); except as specifically charged;
- c) exclusive charge on specific account opened to route the proceeds from the loan and interest thereon extended to the Ideal Toll & Infrastructure Private Limited, the holding company by MEP Infrastructure Private Limited, subsidiary company;
- d) pledge of 15 lakhs shares of IRB Infrastructure Developers Limited, held by the promoters of the company;
- e) pledge of 49% of the issued, paid up and voting equity share capital of Ideal Toll & Infrastructure Private Limited, the holding company;
- f) first charge over all the bank accounts including but not limited to escrow account opened by MEP Highway Solutions Private Limited, subsidiary company;
- g) corporate guarantees jointly given by Ideal Toll & Infrastructure Private Limited, the holding Company; and personal guarantee given by Mr. J.D. Mhaiskar , Director of the Company

The term loan carries an interest rate calculated on base rate of the bank plus a spread of 275 basis points. The term loan is repayable in 127 unequal monthly installments commencing from 1 September 2014.

- iii) Term loan includes a loan from a bank amounting to ₹ 610.00 lakhs (previous year : ₹ 850.00 lakhs ) which is secured by way of assignment / hypothecation of receivables to be generated from the Toll collection account of the projects financed.

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited, the holding company and personal guarantee given by Mr. J.D. Mhaiskar , Director of the Company. The term loan carries an interest rate of 13% p.a. The term loan is repayable in 35 unequal monthly installments commencing from the date of first disbursement.

#### iv) Vehicle loans

- a) Vehicle loans from banks of ₹ 314.74 lakhs (previous year : ₹ 383.71 lakhs) carry interest rates ranging from 9.89% - 12.38% p.a. The loans are repayable in 36 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.
- b) Vehicle loans from various financial institutions of ₹ 28.31 lakhs (previous year : ₹ 13.58 lakhs) carry interest rate ranging from 10.83% - 12.34% p.a. The loans are repayable in 35 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

#### II) Term loan taken by subsidiaries

##### MEP Infrastructure Private Limited

- i) Term loans includes a loan amounting to ₹ 211,652.31 lakhs (previous year : 211,951.54 lakhs) which is taken from a consortium consisting of a bank and various financial institutions.

The loan is secured by a first pari-passu charge as below :

- a) on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;
- b) by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);
- c) entire intangible assets of the borrower, including but not limited to, goodwill and uncalled capital, if any;
- d) by way of hypothecation / mortgage / assignment, as the case may be of all the rights, title, interest, benefits, claims and demands; and
- e) on the Trust and Retention Account, escrow account and debt service reserve.

Further, the term loan is also secured by additional collateral as below :

- a) 51% pledge of share capital of the Company held by MEP Infrastructure Developers Limited, the holding company and Ideal Toll & Infrastructure Private Limited, the ultimate holding company; and

# Notes to the consolidated financial statements

## as at 31 March 2015

- b) corporate guarantees jointly given by MEP Infrastructure Developers Limited, the holding company and Ideal Toll & Infrastructure Private Limited, the ultimate holding company;

The term loan from the consortium carries an interest rate calculated on the base rate of the respective financial institutions and bank and a spread ranging from 1.00% - 2.50% p.a.

Of the above, the term loan from a bank and two financial institutions, are repayable in 312 structured fortnightly installments commencing from 1 October 2011 and a term loan from the other financial institution is repayable in 109 monthly installments commencing from 1 October 2012.

As at 31 March 2015 the Company has ;

- 1) Delayed in repayment of principal installment of the loan of ₹ 9.59 lakhs from a financial institution for the period of 17 days and interest portion of the loan of ₹ 3,808.74 lakhs over a range of 17 to 60 days. The delayed amounts have been paid subsequently.
  - 2) Delayed in repayment of interest portion of the loan of ₹ 926.67 lakhs from a bank for the period of 32 days. The delayed amounts have been paid subsequently.
- ii) Apart from the above, the company has taken another term loan from one of the consortium lenders of ₹ 39,936.25 lakhs (previous year : ₹ 39,974.58 lakhs) which are secured as mentioned above.  
The loan carries an interest rate calculated on the base rate of the bank plus spread ranging from 1.90% - 2.50% p.a.

The loan is repayable in 324 structured fortnightly installments commencing from 1 October 2011.

As at 31 March 2015 the Company has delayed in repayment of principal installment of the loan of ₹ 4.17 lakhs from a financial institution for the period of 17 days and interest portion of the loan of ₹ 777.77 lakhs over a range of 17 to 45 days. The delayed amounts have been paid subsequently.

- iii) Term loans also include a loan from a financial institution amounting to ₹ 19,986.67 lakhs (previous year: ₹ 19,992.50 lakhs) and the loan is secured by way of first charge on debt service reserve account (refer note 16) and by way of second charge as below:
- a) on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;
  - b) by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, Inventories and all other movable properties);
  - c) entire intangible assets of the borrower, including but not limited to, goodwill and uncalled capital, if any;
  - d) by way of hypothecation / mortgage / assignment, as the case may be of - all the rights, title, interest, benefits, claims and demands;
  - e) the Trust and Retention Account, escrow account; and

Further, the term loan is secured by corporate guarantees jointly given by MEP Infrastructure Developers Limited, the holding company and Ideal Toll & Infrastructure Private Limited, the ultimate holding company. The interest rate on the term loan is the existing prime lending rate less 2.75% p.a. The loan is repayable in 156 monthly instalments commencing from 1 July 2012.

As at 31 March 2015 the Company has delayed in interest repayment of ₹ 199.89 lakhs for the period of 31 days. The delayed amounts have been paid subsequently.

#### iv) Vehicle loans

Vehicle loans of ₹ 18.96 lakhs (previous year : ₹ 7.42 lakhs) is from a bank carrying an interest rate ranging between 10.52% - 11.50% p.a. The loans are repayable in 35 - 47 monthly instalments along with interest, from the date of disbursement. The loans are secured by way of hypothecation of the respective vehicles.

#### Raima Ventures Private Limited

- i) Term loans include loan from a financial institution amounting to ₹ 1940.17 lakhs (previous period : ₹ 6,036.29 lakhs) which is secured by way of first charge as below :
- a) by way of hypothecation of entire movable properties of the company both present and future including movable plant and machinery and all other movable properties of what so ever nature;
- b) on entire cash flows receivables on book debts and revenues of the company both present and future;

# Notes to the consolidated financial statements

## as at 31 March 2015

- c) on entire intangible assets of the company including but not limited to goodwill and uncalled capital both present and future;
- d) hypothecation / mortgage assignment as the case may be of all the rights title, interest, benefits, claims and demands what so ever of the company in the project document (including but not limited to insurance contracts);
- e) on the Trust and Retention Account, Debt Service Reserve Account and any other reserves and other bank accounts of the company wherever maintained.

Further, the term loan is secured by corporate guarantee of the holding company, MEP Infrastructure Developers Limited. The term loan carries interest rate of 10.45% p.a. plus a spread of 1.90% p.a. The loan is repayable in 112 structured fortnightly installments as per repayment schedule commencing from 1 November 2010.

As at 31 March 2015 the Company has delayed in repayment of principal installment of the loan of ₹ 592.17 lakhs from a financial institution over a range of 1 to 45 days. The delayed amounts have been paid subsequently.

### ii) Vehicle Loan

Vehicle loan of ₹ 12.87 lakhs (previous year : ₹19.61 lakhs) is from a bank carrying an interest rate of 10.25% p.a. The loans is repayable in 36 monthly installments along with interest, from the date of loan. The loan is secured by way of hypothecation of the respective vehicle.

### Baramati Tollways Private Limited

- i) Term loans include loan from a bank amounting to ₹ 5,242.63 lakhs (previous period : ₹ 5,415.63 lakhs) which is secured by a first charge as below;
  - a) by assignment of all revenues and receivables of the company,
  - b) by mortgage of leasehold rights over the property at vacant plot admeasuring 8.4 hectares at Jalochi village, Baramati Town;
  - c) on escrow account of the company;
  - d) by all the movable and immovable assets including receivables, both present and future, of the company;
  - e) entire intangible assets of the company;
  - f) on assignment in favour of the bank of all the right title, interest, benefits, claims of the company
- g) Further, the term loan is also secured as below :
 

30% pledge of share capital of the company held by Rideema Toll Private Limited, the holding Company and Corporate guarantees jointly given by Rideema Toll Private Limited, the holding Company and MEP Infrastructure Developers Limited, the ultimate holding Company. The above term loan carries an interest rate calculated on base rate of bank with spread of 2.50% p.a above base rate.
- h) The loan is repayable in 39 unequal quarterly instalments commencing from September 2011.

### MEP Nagzari Toll Road Private Limited

- i) Term loan includes loan from a bank amounting to ₹ 274.43 lakhs (previous year : ₹ 514.82 lakhs) which is secured by way of first charge of hypothecation / assignment / security interest on the escrow account of the projects financed.

Further, the term loan is also secured by corporate guarantee from MEP Infrastructure Developers Limited, the holding company and personal guarantees given by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, Directors of the Company, and some of the relatives of the directors.

The term loan carries an interest rate of 13.5% pa. The term loan is repayable in 33 unequal monthly installments commencing from the month of disbursement of term loan.

As at 31 March 2015 the Company has delayed in repayment of principal installment of ₹ 59.20 lakhs from bank over a range of 31 to 59 days. The delayed amounts have been paid subsequently.

### MEP Chennai Bypass Toll Road Private Limited

- i) Term loan includes loan from a bank amounting to ₹ Nil (Previous period : ₹ 564.32 lakhs) which is secured as below:
  - a) a first pari-passu charge on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company
  - b) by way of first charge of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);

# Notes to the consolidated financial statements

## as at 31 March 2015

- c) a first charge of entire intangible assets of the company, including but not limited to, goodwill and uncalled capital, if any, and on the escrow, DSRA and any other reserves and other bank accounts of the company
- d) a first mortgage and charge on entire immovable properties of the company
- e) Corporate guarantees given by MEP Infrastructure Developers Limited, the holding Company and personal Guarantee of Mr. Jayant Mhaiskar, Director of the Company
- f) Pledge of 20% shareholding held by MEP Infrastructure Developers Limited, Holding Company

The loan carries an interest rate calculated on the base rate of the bank plus 2.50% p.a.

The loan is repayable in 28 structured monthly installments commencing with a moratorium period of 3 months from August 2013.

### ii) Vehicle Loan

Vehicle loans of ₹ 12.11 lakhs (previous year ₹ 18.67 lakhs) are from bank and carries an interest rate ranging from 10.75% to 11.50% p.a. The loans are repayable in 35-36 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

#### Rideema Toll Bridge Private Limited

- i) Term loan from bank of ₹ 2,394.94 lakhs (previous year : ₹ Nil) is secured by way of first charge as below:
  - a) by way of hypothecation on all the company's cash flows and receivables deposited in escrow account after meeting the priorities as provided in the escrow agreement & concession agreement
  - b) on entire movable assets of the company present and future
  - c) by way of assignment of toll collection right awarded by Hoogly river bridge commissioners at Vidyasagar Setu, Kolkata

Further the loan is secured by corporate guarantee of MEP Infrastructure Developers Limited, the Holding Company and personal guarantee of Mr. Jayant D. Mhaiskar, Director of the Company.

Term loan carries interest rate of base rate of bank plus a spread of 2.30% and is repayable in 4 years in equal monthly installment ( 2 months moratorium) from the month of disbursement.

As at 31 March 2015 the Company has delayed in repayment of principal installment on the loan from bank of ₹ 333.33 lakhs for 1 day has been paid subsequently.

### ii) Vehicle loan

Vehicle loans of ₹ 4.84 lakhs (previous year : ₹ 7.50 lakhs) carrying an interest rate 11.75% p.a. The loans are repayable in 36 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

#### MEP Hyderabad Bangalore Toll Road Private Limited

- i) Term loan of ₹ 2,625 lakhs (Previous Year :3,328.41 lakhs) from a bank is secured by as below :
  - a) a first charge on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;
  - b) a first charge by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);
  - c) immovable residential house property situated in Pune, owned by promoters.
  - d) corporate guarantees given by MEP Infrastructure Developers Limited, the holding company and personal guarantees by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, directors of the company;
  - e) pledge of 30% shares of the promoters of the company.
  - f) The loan carries an interest rate calculated on the base rate of the bank plus a spread of 2.30% p.a.
  - g) The loan is repayable in 16 structured Quarterly installments commencing from 31<sup>st</sup> March 2014.

### ii) Commercial equipment loan

The loan amount of ₹ 249.95 Lakhs (Previous Year ₹ 185.56 lakhs) are from bank is secured as below;

- a) First charge in favour of the Bank by way of Hypothecation of respective commercial equipments of the company.

# Notes to the consolidated financial statements

## as at 31 March 2015

- b) Personal Guarantee given by Mr. Jayant Mhaiskar, director of the company.
- c) The loan carries an interest rate of 11.50% p.a
- d) The loans are repayable in 59 monthly installments along with interest, from the date of disbursement.
- e) The loan is also co-borrowed by the holding company.

### iii) Vehicle loans

Vehicle loans of ₹ 46.69 lakhs (previous year ₹ 57.50 lakhs) are from bank and carries an interest rate ranging from 10.75% to 11.50% p.a. The loans are repayable in 35-36 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

- i) Term loans from banks of ₹ 3,490.82 lakhs (previous year : ₹ 4,784.50 ) are secured by a first pari-passu charge as follow:
  - a) on escrow on the entire cash flow, toll collections, revenue/receivable (from the project) of the company;
  - b) by way of hypothecation of entire movable properties of the company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);
  - c) by way of hypothecation / mortgage / assignment, as the case may be of all the rights, title, interest, benefits, claims and demands; and
  - d) Corporate guarantee of MEP Infrastructure Developers Limited, the holding company and personal guarantee given by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, directors of the Company and some of the relatives of the directors

The term loans carry an interest rate of 12.00% p.a.

Term loan of ₹ 1,759.50 lakhs (previous year : ₹ 2,484.50 lakhs) is repayable in 36 unequal monthly installments after the moratorium period of three months from the date of first drawdown.

Term loan of ₹ 1,096.32 lakhs (previous year : ₹ 1,500.00 lakhs) and ₹ 635.00 lakhs (previous year : ₹ 800.00 lakhs) are repayable in 36 unequal monthly installments and 33 unequal monthly installments respectively from the date of first drawdown.

### ii) Vehicle loans

Vehicle loan of ₹ 5.49 lakhs (previous year : Nil) is from a financial institution and carry an interest rate of 10.88 p.a. The loan is repayable in 36 monthly instalments along with interest, from the date of disbursement. The loan is secured by the way of hypothecation of the respective vehicle.

### Raima Toll Road Private Limited

- i) Term loan amount of ₹ 774.00 Lakhs (Previous year ₹ 1,295.00 lakhs) is secured as below :
  - a) a first pari-passu charge by way of hypothecation on entire movable assets of the company
  - b) a first charge by way of hypothecation, on the company's cash flows and receivables including revenues of the company.
  - c) a first charge on all intangibles including but not limited to goodwill and uncalled capital,
  - d) a first charge on the Escrow account, DSRA and any other reserves and other bank accounts of the Company.
  - e) a first pari-passu charge on the cash flows and receivables of MEP Chennai Bypass Toll Road Private Limited, (herein after referred as "MEPCBTRPL") (fellow subsidiary Company) including revenues of "MEPCBTRPL".
  - f) a second charge by way of hypothecation, on the cash flows and receivables of MEP RGSL Toll Bridge Private Limited, a fellow subsidiary company.
  - g) Pledge of 30% shares of the company held by MEP Infrastructure Developers Limited, the holding company.
  - h) Corporate guarantees given by MEP Infrastructure Developers Limited, the holding company and personal guarantee by Mr. Jayant D. Mhaiskar, director of the company.

The loan carry interest rate calculated on the base rate of the bank plus a spread of 2.75% p.a.

The loan is repayable in 28 unequal monthly installments after moratorium of 3 months commencing from December 2013.

# Notes to the consolidated financial statements

## as at 31 March 2015

### ii) Vehicle loans

Vehicle loans of ₹ 28.75 lakhs (previous year : 18.49) are from bank and carries an interest rate ranging from 9.75% to 11.75% p.a. .The loans are repayable in 35-36 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

### Raima Toll and Infrastructure Private Limited

- i) Term Loan of ₹ 2,376 lakhs (previous year : ₹ Nil) is from a bank and is secured by first charge as below;
- a) by way of escrow account on entire cash flows, toll collection revenues from the project,
- b) on the receivables from the project.

Further, the loan is secured by corporate guarantee given by MEP Infrastructure Developers Limited, the holding company and personal guarantee by Mr. Jayant Mhaiskar, director of the holding company.

The loan carries an interest rate calculated on the base rate of the bank plus a spread of 230 basis points.

The loan is repayable in 21 months unequal instalments and the funded portion of security deposit is repayable at the end of 30 months or receipt of security deposit from authority(i.e MSRDC) , whichever is earlier.

### Rideema Toll Private Limited

#### i) Vehicle loans

Vehicle loans of ₹ Nil (previous year : ₹ 8.15 lakhs) are taken from financial institutions. The loan carry an interest rate of 9.25% - p.a. The loans are repayable in 59 monthly instalments along with interest, from the date of disbursement of loan. The loans are secured way of hypothecation of the respective vehicles.

### MEP Highway Solutions Private Limited

#### i) Commercial Equipment Loan

Commercial equipment loans of ₹ 117.53 lakhs (previous year : Nil) are from a financial institution and carry an interest rate ranging from 12.00% to 12.01% p.a. .The loans are repayable in 40 monthly instalments along with interest, from the date of disbursement. The loans are secured by the way of hypothecation of the respective equipments. The loans are also secured by corporate guarantee given by MEP Infrastructure Developers Limited, the Holding Company and personal Guarantee by Mr. Jayant Mhaiskar, director of the Company.

(₹ in Lakhs)					
		Non-current portion			Current portion
		31 March 2015	31 March 2014	31 March 2015	31 March 2014
<b>7.</b>	<b>OTHER LONG-TERM LIABILITIES</b>				
	Payable to authority	10,440.00	15,660.00	5,276.76	5,220.00
		<b>10,440.00</b>	15,660.00	<b>5,276.76</b>	5,220.00

(₹ in Lakhs)					
		Non-current portion			Current portion
		31 March 2015	31 March 2014	31 March 2015	31 March 2014
<b>8.</b>	<b>PROVISIONS</b>				
	Provision for employee benefits				
	- Gratuity payable (refer note 29.6)	227.38	145.77	45.61	31.07
	Provision for wealth tax	-	-	2.62	3.03
		<b>227.38</b>	145.77	<b>48.23</b>	34.10

(₹ in Lakhs)					
		31 March 2015	31 March 2014		

# Notes to the consolidated financial statements

## as at 31 March 2015

<b>9. SHORT-TERM BORROWINGS</b>		
<b>Short term loan</b>		
- from banks	8,896.13	3,439.92
Loans repayable on demand		
- from bank	11,715.49	9,994.60
<b>Unsecured loans</b>		
- from related parties	100.00	428.46
- loan from others	4.75	4.75
	<b>20,716.37</b>	<b>13,867.73</b>

### I) Short-term loan taken by MEP Infrastructure Developers Limited

**A)** Term Loans from bank amounting to ₹ Nil (previous year : 236.75 lakhs) is secured as below :

- assignment / hypothecation of receivables to be generated from the Toll collection account of the projects financed;
- Personal Guarantee given by Mr. J.D. Mhaiskar & Mr. D.P. Mhaiskar, directors of the Company;
- Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);
- The term loan carries an interest rate of 2.35% p.a. below the Bank's Prime Lending Rate subject to minimum of 13% p.a.
- The loan is repayable in 12 equal monthly installments from the date of first drawdown.

**B)** Term Loans from bank amounting to ₹ 5,000 lakhs (previous year : ₹ Nil) is secured as below :

- First and pari passu charge on entire fixed/current assets of the Company which are not exclusively charged to other Banks/ Lenders.
- First charge / hypothecation / assignment of security interest on Escrow account of the projects financed;
- First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
- Debt Service Reserve Account (DSRA) to be maintained for an amount equivalent to the next 3 months of interest servicing.
- Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);
- Personal Guarantee given by Mr. J.D. Mhaiskar director of the Company;

The term loan carries an interest rate calculated on base rate of the bank plus a spread of 2.30% p.a. The loan is repayable in bullet upon release of Bid/Performance Security by the Authority of the project financed."

**C)** Term Loans from bank amounting to ₹ 1,028.36 lakhs (previous year : ₹ Nil) is secured as below :

- Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;
- Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
- Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, (Holding Company);
- Personal Guarantee given by Mr. J.D. Mhaiskar, Director of the Company;

The term loan carries an interest rate calculated on base rate of 13% p.a. The loan is repayable in 4 equal weekly installments during 12<sup>th</sup> and last month from the date of first disbursement.

### II) Short-term loan taken by subsidiaries Rideema Toll Bridge Private Limited

Term loan from bank of ₹ 2,000.00 lakhs (previous year : ₹ 2,666.67) is secured by way of first charge as below:

- by way of hypothecation on all the company's cash flows and receivables deposited in escrow account after meeting the priorities as provided in the escrow agreement & concession agreement;
- on entire movable assets of the company, current & future;
- by way of assignment of toll collection right awarded by Hoogly river bridge commissioners at Vidyasagar Setu, Kolkata;

Further the loan is secured by corporate guarantee of MEP Infrastructure Developers Limited, the Holding Company and personal guarantee of Mr. Jayant D. Mhaiskar, Director of the Company.

Term loan carries an interest rate calculated on base rate of the bank plus a spread of 2.30% p.a. and is repayable in 12 monthly equal installments after 2 months from the month of disbursement.

### MEP IRDP Solapur Toll Road Private Limited

# Notes to the consolidated financial statements

## as at 31 March 2015

- a) Term Loan of ₹ 473.27 lakhs (previous year : ₹ 536.50 lakhs) from bank is secured by way of first charge of hypothecation / assignment / security interest on the escrow account of the projects financed.

Further, the term loan is also secured by corporate guarantee from MEP Infrastructure Developers Limited, the holding Company and personal guarantees given by Mr. Jayant Mhaiskar and Mrs. Anuya Mhaiskar, directors of the Company and personal guarantees of some relatives of the directors.

The term loan carries an interest rate of 13.5% p.a. The term loan is repayable in 12 equal monthly instalments

### MEP Road & Bridges Private Limited

Term Loans include loan from a banks amounting to ₹ 394.50 lakhs (previous period : ₹ Nil lakhs) which is secured by way of first charge as below:

- (a) assignment / hypothecation of entire cash flows, toll collection, revenue and receivables from the Toll collection ;  
(b) Personal Guarantee given by Mr. J.D. Mhaiskar, director of holding the Company;  
(c) Corporate guarantee given by MEP Infrastructure Developers Limited, (Holding Company);

The term loan carries an interest rate of 13% p.a.

The loan is repayable in 11 monthly installments from the date of first drawdown.

### III) Loans repayable on demand

#### MEP Infrastructure Developers Limited

Further, the term loan is also secured by corporate guarantee given by Ideal Toll & Infrastructure Private Limited, the holding company and personal guarantee given by Mr. J.D. Mhaiskar & Mr. D.P. Mhaiskar, Directors of the Company. The term loan carries an interest rate calculated on base rate of the bank plus a spread of 300 basis points. The term loan is repayable in two equal installments of ₹ 3,750.00 lakhs from 1 March 2014.

- A) Loans repayable on demand include an overdraft facility from a bank amounting to ₹ 4,998.27 lakhs (previous period : ₹ 5,000 lakhs) is secured as below:

- a) First charge / hypothecation / assignment of security interest on Escrow account;  
b) Personal Guarantee given by Mr. Jayant D. Mhaiskar and Mr. Dattatray P. Mhaiskar, directors of the Company;  
c) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, the holding company;

Loan carries an interest rate calculated on the base rate of the bank and a spread of 3% p.a.

- B) Loans repayable on demand include an overdraft facility from a bank amounting to ₹ 6717.22 lakhs (previous period : ₹ 4,994.60 lakhs) from a bank secured as below:

- a) First charge / hypothecation / assignment of security interest on Escrow account;  
b) First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.  
c) First charge on receivable of the projects financed.  
d) Personal Guarantee given by Mr. Jayant D. Mhaiskar, director of the Company;  
e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited, the holding company;

Loan carries an interest rate calculated on the base rate of the bank and a spread of 2.50% p.a.

### IV) Unsecured loans

- A) Interest free unsecured loan from Mr. Jayant Mhaiskar of ₹ 100 lakhs (previous year : ₹ 22.00 lakhs) which is repayable on demand.  
B) Interest free unsecured loan from Ideal Toll and Infrastructure Private Limited of ₹ Nil (previous year : ₹ 406.46 lakhs) which is repayable on demand.  
C) Interest free unsecured loan from Pratibha Industries Limited (shareholder of the company) of ₹ 4.75 lakhs (previous period : ₹ 4.75 lakhs) which is repayable on demand.

# Notes to the consolidated financial statements

as at 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>10. TRADE PAYABLES</b>		
Trade payable towards goods purchased and services received		
- dues of micro enterprises and small enterprises (refer note 26.7)	0.56	0.56
- other creditors	26,626.99	14,635.30
	<b>26,627.55</b>	<b>14,635.86</b>

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>11. OTHER CURRENT LIABILITIES</b>		
Current maturities of long-term borrowings (refer note 6)	17,191.61	16,297.18
Current maturities of long-term liabilities (refer note 7)	5,276.76	5,220.00
Interest accrued but not due on borrowings	1,136.11	1,109.91
Interest accrued and due on borrowings	5,897.26	6,675.96
Employee benefits expense payable	644.63	547.91
Statutory dues payable	1,191.78	409.23
Other liabilities	1,131.82	893.57
	<b>32,469.97</b>	<b>31,153.77</b>

## 11. FIXED ASSETS

(₹ in Lakhs)

Particulars	Gross block				Depreciation				Net block	
	As at 1 April 2014	Additions	Sale / Deletion	As at 31 March 2015	As at 1 April 2014	For the period	Sale / Deletion	As at 31 March 2015	As at 31 March 2015	
Tangible assets										
Leasehold Land #	26.75	-	-	26.75	0.58	0.29	-	0.87	25.88	
Office premises@	464.50	-	-	464.50	46.54	35.51	-	82.05	382.45	
Vehicles	1,427.36	143.48	33.06	1,537.79	549.92	436.60	26.14	960.38	577.41	
Computer system	296.44	237.48	7.70	526.22	138.54	211.76	4.48	345.82	180.40	
Toll equipments	1,034.24	991.25	14.37	2,011.12	224.26	406.83	2.70	628.39	1,382.72	
Office equipments	112.63	181.66	7.89	286.40	20.40	75.59	3.55	92.44	193.96	
Furnitures and fixtures	196.15	5.94	0.72	201.38	52.04	58.95	0.26	110.73	90.65	
<b>Total</b>	<b>3,558.07</b>	<b>1,559.81</b>	<b>63.74</b>	<b>5,054.16</b>	<b>1,032.28</b>	<b>1,225.53</b>	<b>37.13</b>	<b>2,220.68</b>	<b>2,833.47</b>	
<b>Capital work in progress</b>	577.77	1,166.07	117.00	1,626.84	-	-	-	-	1,626.84	
<b>Total</b>	<b>577.77</b>	<b>1,166.07</b>	<b>117.00</b>	<b>1,626.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,626.84</b>	
Intangible fixed assets										
Toll collection rights*	261,818.33	-	717.23	261,101.10	34,942.25	16,768.23	717.23	50,993.25	210,107.85	
Goodwill on consolidation**	6,968.69	-	4,316.65	2,652.04	1.22	-	(1.22)	0.00	2,652.04	
<b>Total</b>	<b>268,787.02</b>	<b>-</b>	<b>5,033.88</b>	<b>263,753.14</b>	<b>34,943.48</b>	<b>16,768.23</b>	<b>716.01</b>	<b>50,993.25</b>	<b>212,759.89</b>	

During the year the Company/Group has adopted the useful lives as specified under Schedule II of the Companies Act, 2013. As a result of the said change, the depreciation charge for the year is higher by ₹ 746.82 lakhs, with a corresponding decrease in the written down value of fixed assets and an increase in loss before tax for the year ended 31 March 2015.

# Notes to the consolidated financial statements

## as at 31 March 2015

- # As per Lease Deed, lease hold land has been amortised by straight line method over the period of ninety three years from the date of lease deed 10 May 2012.
- @ Office premise is under mortgage with a bank for a loan taken by Ideal Toll & Infrastructure Private Limited (Holding Company).
- \*\* Toll collection rights comprises of:
- 1) Construction of bridge on BOT basis along with the upfront payment of ₹ 7,272.49 lakhs made to MSRDC . The concession period for toll collection as per the concession agreement is nineteen years and four months.
  - 2) Toll collection rights at Vidyasagar Setu bridge for a period of 5 years by Hoogly River Bridge Commissioners for ₹ 26,743.21 lakhs payable in 5 equal installment on yearly upfront basis.
  - 3) Upfront payment of ₹ 2,12,085.40 lakhs made to MSRDC and other direct expenses incurred to acquire the toll collection rights for Mumbai Entry Points. The concession period for toll collection is for a period of sixteen years.
  - 4) Upfront payment of ₹ 15,000 lakhs made to 'RIDCOR' for Phalodi - Ramji ki Gol road corridor. The license period for toll collection as per the License Agreement is for a period of five years."
- \*\* Goodwill on consolidation has been derecognised pursuant to sale of subsidiaries / reassessment of previously recognised goodwill (also refer note 5).

(₹ in Lakhs)

Particulars	Gross block				Depreciation			Net block	
	As at 1 April 2013	Additions	Sale / Deletion	As at 31 March 2014	As at 1 April 2013	For the period	Sale / Deletion	As at 31 March 2014	As at 31 March 2014
<b>Tangible fixed assets</b>									
Leasehold Land #	26.75	-	-	26.75	0.29	0.29	-	0.58	26.17
Office premises	464.50	-	-	464.50	24.53	22.00	-	46.54	417.97
Vehicles	739.71	785.76	98.11	1,427.36	411.69	191.75	(53.52)	549.92	877.44
Computer system	208.59	124.55	17.64	315.50	100.95	59.40	(7.95)	152.39	163.11
Toll equipments	750.90	332.10	59.10	1,023.90	112.26	106.45	(7.57)	211.14	812.76
Office equipments	80.26	29.63	5.98	103.91	12.36	10.32	(3.01)	19.67	84.24
Furnitures and fixtures	188.59	9.05	1.49	196.15	22.13	30.79	(0.88)	52.04	144.11
<b>Total</b>	<b>2,459.30</b>	<b>1,281.09</b>	<b>182.32</b>	<b>3,558.07</b>	<b>684.20</b>	<b>421.00</b>	<b>(72.93)</b>	<b>1,032.28</b>	<b>2,525.80</b>
<b>Capital work in progress</b>	117.00	460.77	-	577.77	-	-	-	-	577.77
<b>Total</b>	<b>117.00</b>	<b>460.77</b>	<b>-</b>	<b>577.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>577.77</b>
<b>Intangible fixed assets</b>									
Toll collection rights*	235,075.11	26,743.22	-	261,818.33	22,112.26	12,829.99	-	34,942.26	226,876.07
Goodwill on consolidation	221.05	6,747.64	-	6,968.69	221.05	0.62	(220.45)	1.22	6,967.47
<b>Total</b>	<b>235,296.16</b>	<b>33,490.86</b>	<b>-</b>	<b>268,787.02</b>	<b>22,333.32</b>	<b>12,830.61</b>	<b>(220.45)</b>	<b>34,943.48</b>	<b>233,843.54</b>
<b>Intangible assets under development</b>									
Balance as at 1 April 2013									267.31
Less: Assets capitalised during the year									267.31
Balance as at 31 March 2014									-

# As per Lease Deed, lease hold land has been amortised by straight line method over the period of 93 years from the date of lease deed 10 May 2012.

\*\* Toll collection rights include upfront payment to MSRDC of ₹ 2,12,085.40 lakhs for toll collection rights at five Mumbai entry points, ₹ 7,272.49 lakhs for toll collection rights at Baramati city and ₹ 717.23 lakhs for toll collection right at Nagzar city. The concession period for toll collection rights as per the Concession Agreement for Mumbai entry points is for a period of 16 years, for Baramati city is for a period of 19 years and 4 months and for Nagzar city is for a period of 156 weeks. Toll collection rights include upfront payment of ₹ 15,000.00 lakh to RIDCOR. The period for toll collection as per the License Agreement is for a period of 5 years. Toll collection rights also include toll collection rights at Vidyasagar Setu bridge for a period of 5 years by Hoogly River Bridge Commissioners for ₹ 26,743.21 lakhs payable in 5 equal installment on yearly upfront basis, along with other direct expenses incurred to acquire toll collection rights."

# Notes to the consolidated financial statements

as at 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>13 NON-CURRENT INVESTMENTS</b>		
<b>A) Trade investments Valued at cost unless stated otherwise)</b>		
In preference shares of enterprises over which significant influence is exercised by key managerial personnel		
12% Non Cumulative Redeemable Preference Shares of ₹ 10 each		
2,09,00,000 (previous period : 2,09,00,000) Preference shares of Ideal Hospitality Private Limited of ₹ 10 each.	2,090.00	
In equity shares of enterprises over which significant influence is exercised by key managerial personnel		
Unquoted, fully paid up		
3,300 (previous year : 3,300) equity shares of A J Toll Private Limited of ₹ 100 each.	3.30	3.30
<b>B) Other investments</b>		
Unquoted, fully paid up		
4,000 (previous year : 4,000) equity shares of Jankalyan Sahakari Bank Limited of ₹ 10 each.	0.40	0.40
60,080 (previous year : 40,000) equity shares of The Kalyan Janata Sahakari Bank Limited of ₹ 25 each.	15.02	10.00
9,980 (previous year : 9,980) equity shares of Thane Janata Sahakari Bank Limited of ₹ 50 each.	4.99	4.99
11,040 (previous year: 11,040) equity shares of Dombivali Nagari Sahakari Bank Limited of ₹ 50 each fully paid up	5.52	5.50
76,950 (previous year: 76,950) equity shares of Jankalyan Sahakari Bank Limited of ₹ 50 each, fully paid up	38.48	38.48
14,030 (previous year: Nil) equity shares of The Ambernath Jai Hind Co Op Bank Limited of ₹ 25 each.	3.51	-
	<b>2,161.21</b>	<b>62.67</b>

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>14. DEFERRED TAX ASSET / (LIABILITY) (NET)</b>		
<b>Deferred tax assets</b>		
Carry forward business loss and unabsorbed depreciation	39,979.47	14,846.81
Provision for employee benefits	93.18	48.18
	<b>40,072.65</b>	<b>14,895.00</b>
<b>Deferred tax liabilities</b>		
Excess of depreciation / amortisation on fixed / intangible assets in income-tax law over depreciation / amortisation provided in accounts.	<b>(30,652.68)</b>	<b>(7,335.03)</b>
<b>Deferred tax asset (net)</b>	<b>9,419.97</b>	<b>7,559.96</b>

# Notes to the consolidated financial statements

## as at 31 March 2015

(₹ in Lakhs)

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
<b>15 LONG-TERM LOANS AND ADVANCES</b>				
<b>(Unsecured, considered good)</b>				
<b>To related parties:</b>				
Loans and advances				
-as mobilisation advance [refer note 15(a)(I)] *	-	16,173.04	6,739.68	1,417.63
-as loans [refer note 15(a)(I)&(II)]	35,847.18	38,000.00	-	-
Advance against acquisition of equity shares [refer note 15(b)]	0.16	675.44	-	-
Capital advances [refer note 15(a)(I)]	2,694.30	2,750.00	-	-
Others [refer note 15(a)(I)]		-		31.53
To parties other than related parties:				
Advance income tax and fringe benefit tax (net of ₹ 816.17 lakhs (previous year ₹ 286.51 lakhs ) provision for tax)	2,856.47	1,525.41	-	-
Balance due from government authorities	19.51	-	-	-
Advance consideration for acquisition of shares				
Share application money - Equity		-		
Mobilisation advance	33,944.26	8,420.98	4,661.61	244.36
Capital advances	5,643.02	5,909.28	-	-
Loans to employees	17.68	0.30	26.38	46.11
Prepaid expenses	375.67	421.50	796.14	962.24
Other loans	6,526.45	-	-	-
Performance security	1,346.56	1,247.53	4,980.02	4,058.35
Other security deposits	71.71	66.34	1.93	2.36
	<b>89,342.97</b>	<b>75,189.82</b>	<b>17,205.77</b>	<b>6,762.58</b>
				(₹ in Lakhs)
	<b>31 March 2015</b>	<b>31 March 2014</b>	<b>31 March 2015</b>	<b>31 March 2014</b>
I - Capital advance to Ideal Toll & Infrastructure Private Limited	2,694.30	2,750.00	-	-
- Loan to Ideal Toll & Infrastructure Private Limited	35,844.64	37,500.00	-	-
- Mobilisation advance to Ideal Toll & Infrastructure Private Limited	-	16,173.04	6,739.68	1,417.63
	<b>38,538.94</b>	<b>56,423.04</b>	<b>6,739.68</b>	<b>1,417.63</b>

\*MEP Infrastructure Private Limited (subsidiary company) had given Mobilisation advance to Ideal Toll & Infrastructure Private Limited (Ultimate holding company) for purpose of maintenance contract over a period of concession agreement and pursuant to termination of the agreement, a part of the said advance has been repaid and the balance is repayable in the near future.

# Notes to the consolidated financial statements

as at 31 March 2015

## Enterprises over which significant influence exercised by key managerial personnel (₹ in Lakhs)

	Non-current portion		Current portion	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
- A J Tolls Private Limited	-	500.00	-	-
- MEP Hamirpur Bus Terminal Private Limited	0.61	-	-	-
- MEP Una Bus Terminal Private Limited	1.92	-	-	-
- Rideema Enterprises	-	-	-	31.53
	2.53	500.00	-	31.53

## (b) Advance against acquisition of the equity shares

### I Enterprises over which significant influence exercised by key managerial personnel

- MEP Toll Gates Private Limited	0.16	0.16
- Ideal Hospitality Private Limited	-	90.00
- Ideal Energy Projects Limited	-	0.48
II Advance to Ideal Toll & Infrastructure Private Limited (Holding Company) for acquisition of its equity holding in MEP Infrastructure Private Limited (a Subsidiary Company)	-	584.80
	0.16	675.44

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>16 OTHER NON-CURRENT ASSETS</b>		
Fixed deposits with banks with maturity period more than twelve months from reporting date (refer note 19)	3,646.03	2,142.22
Interest accrued on fixed deposits	226.59	52.33
	<b>3,872.62</b>	<b>2,194.55</b>

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>17 CURRENT INVESTMENTS</b>		
Non-trade investments (valued at lower of cost and fair value)		
Investments in quoted mutual funds		
1,04,757.526 units (previous period: 1,03,764.183 units) NAV ₹ 1000.54 face value ₹ 1000/- (previous year ₹ 1000.54) each IDFC Cash Fund Plan	<b>1,063.30</b>	0.11
	<b>1,063.30</b>	0.11
The aggregate book value and market value of unquoted investments are as follows:		
Aggregate book and market value	<b>1,063.30</b>	0.11

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>18 TRADE RECEIVABLES</b> <b>(Unsecured, considered good)</b>		
Receivable outstanding for a period exceeding six months from the date they became due for payment	8.60	621.35
Other receivables	2,574.15	2,253.31
	<b>2,582.75</b>	<b>2,874.66</b>
Trade receivables of ₹ 2,551.53 lakhs (previous year : ₹ 2,241.76 lakhs) are due from related parties as below.		
Enterprises over which significant influence is exercised by key managerial personnel		
- D S Enterprises	2,551.53	2,241.76
	<b>2,551.53</b>	<b>2,241.76</b>

# Notes to the consolidated financial statements

## as at 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>19 CASH AND BANK BALANCES</b>		
Cash and cash equivalents		
Balances with banks		
- in current accounts *	2,638.73	3,150.58
- in fixed deposits *	35.87	21.85
Cash on hand	2,236.84	4,468.90
	<b>4,911.44</b>	<b>7,641.33</b>
Other bank balances**	8,570.34	8,584.83
	<b>13,481.78</b>	<b>16,226.16</b>
<b>Details of bank balances/deposits</b>		
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'*	2,674.60	3,172.43
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'*	8,570.34	8,584.83
Bank deposits due to mature after 12 months of the reporting date included under 'Other non current assets' (refer note 15)	3,646.03	2,142.22
	<b>14,890.97</b>	<b>13,899.47</b>

**Notes**

- Bank deposit include fixed deposits with various banks of ₹ 3745.76 lakhs (previous year : ₹ 2,844.08 lakhs) which is provided as lien for the bank guarantee given to various authorities
- Bank deposits include fixed deposits with various banks of ₹ 7,991.18 lakhs (Previous Year : ₹ 7,764.60 lakhs) which are provided as lien to the banks and financial institutions for maintenance of Debt Service Reserve Account.
- Bank deposits include fixed deposits with various banks of ₹ 140.29 lakhs (Previous Year : ₹ 140.23 lakhs) which are placed as a security for loan taken from the bank.
- Bank deposits of ₹ 375 lakhs (previous year : ₹ 250.00 lakhs) with a bank is provided as cash margin for bank overdraft taken from the bank.

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>20 SHORT-TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, considered good)</b>		
To related parties		
Current portion of long term loans and advances [refer note 15]	6,739.68	1,449.16
Advance consideration for acquisition of preference shares [refer note 20 (a)]	-	2,000.00
Other advances [refer note 20 (b)]	200.00	20.00
To parties other than related parties		
Current portion of long term loans and advances [refer note 15]	10,466.09	5,313.42
Advances recoverable in cash or kind	202.39	54.88
Others	200.00	-
Advances to suppliers	86.23	292.33
Advances for authority payment	222.44	18.21
Balance with government authorities	-	4.53
	<b>18,116.83</b>	<b>9,152.53</b>
<b>(a) Enterprises over which significant influence is exercised by key managerial personnel</b>		
Ideal Hospitality Private Limited	-	2,000.00
	-	2,000.00
<b>(b) Other advances</b>		
- Ideal Energy Projects Limited	-	20.00
- MEP Toll Gates Private Limited	200.00	-
	<b>200.00</b>	<b>20.00</b>

# Notes to the consolidated financial statements

for the year ended 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>21 OTHER CURRENT ASSETS</b>		
Interest receivable		
- accrued on fixed deposits	229.38	373.79
- accrued on loans to related parties	54.76	1,128.80
- accrued on loans to others	987.47	14.82
Other assets - related party	185.25	-
Other receivables from other than related parties	39.07	-
Unamortised expenditure- share issue expenses	600.97	-
Claim receivable*	4,202.69	1,703.53
	<b>6,299.59</b>	<b>3,220.94</b>

\*Claims receivable

- a) "One of the Subsidiary has preferred claim of ₹ 1,296.93 lakhs (previous year 774.35 lakhs) receivable from "NHA" towards "Force Majeure" clause of concession Agreement between the Company and NHA on account of temporary injunction by Madurai bench of Hon'ble High court of Madras on collection of toll on certain vehicles in one of the Toll plazas. During the year, the Subsidiary has recognised a claim of ₹ 1,606.04 lakhs (previous year Nil) from NHA on account of reimbursement of lesser user fees paid by TNSTC.
- b) Toll collection contract between One of the Subsidiary and Maharashtra State Road Development Corporation ("MSRDC") was terminated on 30 June 2014. The Subsidiary is entitled for compensation of ₹ 370.54 lakhs (previous year ₹ Nil) of the Concession Agreement / Bid document entered with MSRDC.
- c) During the financial year 2013-14, One of the Subsidiary has recognised claims of ₹ 929.18 lakhs (previous year ₹ 929.18 lakhs) receivable from National Highways Authority of India (herein after referred as "NHA") towards "Force Majeure" clause of the Concession Agreement between the Subsidiary and NHA mainly on account of Seemandhra / Telangana Agitation.

# Notes to the consolidated financial statements

## for the year ended 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>22 REVENUE FROM OPERATIONS</b>		
Toll collection	198,293.48	119,693.15
Manpower Supply	132.55	97.40
	<b>198,426.03</b>	119,790.55

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>23 OTHER INCOME</b>		
Interest income		
- from fixed deposits	989.69	1,027.70
- from loans to related parties	1,124.13	1,145.13
- from loans to parties other than related parties	925.25	304.25
Dividend income	63.87	1.03
Profit on sale of mutual funds	0.08	0.16
Claims from authority (refer note 21)	2,451.72	1,703.53
Provisions no longer required written back	64.88	122.99
Profit on sale of investment in subsidiary	47.32	-
Profit on sale of fixed assets	18.10	-
Miscellaneous income	18.58	24.47
	<b>5,703.62</b>	4,329.26

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>24 OPERATING AND MAINTENANCE EXPENSES</b>		
Concession fees to authority	136,003.92	73,762.88
Road repairing and maintenance expenses	6,055.60	3,727.03
Toll - site attendant expenses	1,327.91	981.16
Site expenses	100.00	22.45
Maintenance cost paid to authority	173.33	116.89
Other site operational expenses	1,451.46	1,286.88
Supervision and independent engineer fees to authority	590.37	256.01
	<b>145,702.59</b>	80,153.30

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>25 EMPLOYEE BENEFITS</b>		
Salaries, wages and bonus	5,968.36	4,193.51
Contribution to provident funds and other funds (refer note 29.6)	377.36	246.54
Gratuity expenses (refer note 29.6)	103.01	45.10
Staff welfare expenses	707.17	500.73
	<b>7,155.90</b>	4,985.88

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>26 DEPRECIATION AND AMORTISATION</b>		
Depreciation and amortisation	17,993.76	13,031.13
	<b>17,993.76</b>	13,031.13

# Notes to the consolidated financial statements

for the year ended 31 March 2015

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>27 FINANCE COSTS</b>		
Interest expenses		
- from banks	12,344.49	9,574.99
- from financial institutions	27,111.36	27,458.58
Other borrowing cost		
- processing fees	452.85	601.61
- loan foreclosure charges	-	14.43
Dematerialisation Charges		
- bank guarantee and commission	452.62	320.78
- others	-	0.45
	<b>40,361.32</b>	<b>37,970.84</b>

(₹ in Lakhs)

	31 March 2015	31 March 2014
<b>28 OTHER EXPENSES</b>		
Rent, rates and taxes	455.15	71.14
Directors remuneration *	455.45	498.28
Insurance	62.58	54.33
Legal, consultancy and professional fees	596.25	615.04
Travelling expenses	889.89	683.46
Business promotion and advertisement expenses	111.64	46.92
Repairs and maintenance		
- to plant and machinery	71.51	50.27
- to computers	38.81	44.44
- others	185.61	73.75
Auditors remuneration	55.01	45.52
Loss on sale of Fixed Asset	-	28.59
Fixed assets written off	-	1.86
Provision for wealth tax	2.61	2.80
Miscellaneous expenses	631.84	1,283.30
	<b>3,556.35</b>	<b>3,499.70</b>

\* With respect to payment of Directors remuneration of ₹ 120.00 lakhs, one of the Subsidiary has approached the Central Government for obtaining their requisite approval for complying with the conditions as stipulated under the provisions of section 196, 197, 198 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Rules").

# Notes to the consolidated financial statements

## for the year ended 31 March 2015

(₹ in Lakhs)

Particulars	31 March 2015	31 March 2014
<b>29.1 Contingent liabilities</b>		
Interest on late payments to Maharashtra State Road Development Corporation Limited	-	68.04
Claims made against the Company not acknowledged as debts by the Company	20,680.16	8,614.51
Guarantees given by banks	38,143.40	32,133.09
Corporate guarantees given	346,289.50	350,503.00
	<b>405,113.06</b>	<b>391,318.64</b>

(₹ in Lakhs)

Particulars	31 March 2015	31 March 2014
<b>29.2 Capital commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advance)	1,602.23	322.57
	<b>1,602.23</b>	<b>322.57</b>

**29.3 Claim**

During the Financial year ended 31 March 2015, One of the Subsidiary has preferred claims with National Highways Authority of India (herein after referred as "NHAI") aggregating ₹ 9,565.13 lakhs (previous year ₹ 6,434.00 lakhs) on account of Toll Evasion and force majeure issues arising from non-compliance of the Concession Agreement by NHAI. The Subsidiary has not recognised the claims as income and/or reduced the liability in the financial statements pending final approval from NHAI. However, in the 3CGM Committee meeting held on 26 August 2014, NHAI has agreed that loss of revenue as assessed by Independent Engineer shall be adjusted to the extent of outstanding concession fees payable to NHAI. The Independent Engineer ("IE") vide his report dated 18<sup>th</sup> May 2015, has quantified the toll evasion of ₹ 22,723.70 lakhs. Pursuant to the report of IE, the Subsidiary has not recognised the liability towards net Concession fees payable to NHAI to the extent of ₹ 3,846.50 lakhs for the period subsequent to the last audited accounts i.e. from 1 November 2014 to 31 March 2015.

**29.4 Operating lease**

The Company has entered into non - cancellable operating lease agreement for premises, which expires over the next two years. Rent expenses debited to the Statement of Profit and Loss is ₹ 7.07 lakhs (previous year : 7.61 lakhs) in respect of non-cancellable lease agreement. Total rent expenses is ₹ 11.66 lakhs (previous year : ₹ 10.14 lakhs) (refer note 28). The future minimum lease payments in respect of these properties as on 31 March 2015 is as below:

(₹ in Lakhs)

	31 March 2015	31 March 2014
Not later than one year	8.33	8.30
Later than one year but not later than five years	1.39	4.85
Later than five years	-	-
<b>Total</b>	<b>9.71</b>	<b>13.15</b>

(₹ in Lakhs)

		31 March 2015	31 March 2014
<b>29.5 Earnings per share (EPS)</b>			
Loss after tax attributable to equity shareholders	A	(11,533.31)	(12,918.15)
Number of equity shares at the beginning of the year		100,000,000	100,000,000
Number of equity shares outstanding at the end of the year		111,494,250	100,000,000
Weighted average number of equity shares outstanding during the year	B	109,699,258	100,000,000
Basic earnings per equity share (₹)	(A / B)	(10.51)	(12.92)
<b>Diluted earnings per share</b>			
Loss after tax attributable to equity shareholders	A	(11,533.31)	(12,918.15)
Weighted average number of equity shares outstanding during the year for the calculation of diluted earnings per share	B	109,699,258	100,000,000
Diluted earnings per equity share (₹)	(A / B)	(10.51)	(12.92)
Face value per equity share (₹)		10	10

# Notes to the consolidated financial statements

## for the year ended 31 March 2015

### 29.6 Employee benefits

The disclosures as required as per the revised Accounting Standard 15 are as under:

#### I) Defined contribution plan

- i) Contribution to Provident Fund
- ii) Contribution to Employees State Insurance Corporation
- iii) Contribution to Maharashtra Labour Welfare Fund

The Company has recognised the following amounts in the Statement of Profit and Loss for the year	31 March 2015	31 March 2014
- Employer's Contribution to Provident Fund	218.43	132.76
- Employer's Contribution to Employees State Insurance Corporation	156.66	111.69
- Maharashtra Labour Welfare Fund	2.28	2.09
	<b>377.36</b>	<b>246.54</b>

\*Included in Contribution to provident fund and other funds (refer note 25 - Employee benefits)

#### II) Defined Benefit plan

##### Gratuity

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The Company during the year provided ₹ 103.01 lakhs (Previous year : ₹ 45.10 lakhs) towards gratuity in the Statement of Profit and Loss.

In accordance with the Accounting Standard 15 (Revised 2005), actuarial valuation has been done in respect of defined benefit plan of gratuity based on the following assumptions:

	31 March 2015	31 March 2014
Discount rate	7.95%	7.95%
Salary escalation rate	6.00%	5.00%
Expected average remaining lives of the employees	8.68 to 5.24	5.21 - 9.39

##### (i) Change in present value of obligation

	31 March 2015	31 March 2014
Present value of obligations as at 1 April 2014	176.84	139.30
Interest cost	18.84	12.50
Current service cost	40.84	31.82
Benefits paid	(6.48)	(7.40)
Liabilities assumed on acquisition / (settled on divestiture)	10.87	0.46
Actuarial losses	32.07	0.14
Present value of obligations as at 31 March 2015	<b>272.99</b>	<b>176.84</b>

##### (ii) Amount recognised in the Balance Sheet

Present value of obligations as at 31 March 2015	272.99	176.84
Present value of plan assets as at 31 March 2015	-	-
Net liability recognised as on 31 March 2015	<b>272.99</b>	<b>176.84</b>

##### Classification into Current / Non-Current

The liability in respect of the plan comprises of the following non current and current portion:

	31 March 2015	31 March 2014
Current	45.61	31.07
Non current	227.38	145.77
	<b>272.99</b>	<b>176.84</b>

# Notes to the consolidated financial statements

## for the year ended 31 March 2015

<b>II) Defined Benefit plan (continued)</b>		<b>31 March 2015</b>	<b>31 March 2014</b>
<b>(iii) Expenses recognised in the Statement of Profit and Loss</b>			
Current service cost		40.84	31.82
Interest cost on benefit obligation		18.84	12.50
Net actuarial (gain)/ loss recognised in the current year		32.46	0.14
Liabilities assumed on acquisition / (settled on divestiture)		10.87	0.46
Expense recognised in the Statement of Profit and Loss (refer note 25)		<b>103.01</b>	44.92
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.			
The Company's/Group's liability on account of gratuity is not funded and hence the disclosures relating to the planned assets are not applicable.			

<b>Experience adjustments</b>	<b>31 March 2012</b>	<b>31 March 2013</b>	<b>31 March 2014</b>	<b>31 March 2015</b>
Defined benefit obligation	139.30	-	176.82	272.98
Plan assets			-	-
(Deficit)	(139.30)	-	(176.82)	(272.98)
Experience adjustment on plan liabilities	14.81	(2.62)	0.23	9.99
Experience adjustment on plan assets	-	-	-	-

The Company has provided the gratuity from the year ended 31 March 2011. Hence, disclosure based on actuarial valuation related experience adjustments are disclosed in 4 years.

### 29.7 Segment reporting

The Company/Group is primarily engaged in the business of toll collection, which is the primary business segment of the Company/Group. The Company/Group does not have any separate geographical segment since all its operations are carried out in India. Hence, there are no separate reportable segments, as required by 'Accounting Standard 17' on "Segment reporting" as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

## 29.8 Related party disclosures

In accordance with the requirements of Accounting Standard 18 'Related Party Transactions' as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, following are the names of related parties and their relationships, details of the transaction during the year and balances as at the year end :

### A. Name of related parties and the nature of relationship

#### Name of related party

Ideal Toll & Infrastructure Private Limited

#### Nature of relationship

Holding Company

Maask Entertainment Private Limited  
IEPL Power Trading Company Private Limited  
Ideal Energy Projects Limited  
MEP Toll Gates Private Limited  
VCR Toll Services Private Limited  
Ideal Infoware Private Limited  
Global Safety Visions Private Limited  
MEP Infracon Private Limited  
Raima Roads & Bridges Private Limited  
Raima Infra Solutions Private Limited  
Mhaiskar Landmarks Private Limited  
Ideal Hospitality Private Limited  
Ideal Brands Private Limited  
IRB Infrastructure Developers Limited  
Ideal Road Builders Private Limited.  
Thane Ghodbunder Toll Road Private Limited  
IDAA Infrastructure Private Limited  
IRB Infrastructure Private Limited  
MMK Toll Road Private Limited  
NKT Road & Toll Private Limited  
Mhaiskar Infrastructure Private Limited.  
Altamount Capital Management Private Limited  
Sagaon Energy Equipment Private Limited  
Chitpavan Foundation  
Anuya Enterprises  
A J Enterprises  
ANS Transformers & Reactors Private Limited  
Digvijay Infratech Private Limited  
JAAR Infrastructure LLP  
Virendra Builders  
Sudha Productions  
MEP Una Bus Terminal Private Limited  
MEP Hamirpur Bus Terminal Private Limited  
A J Tolls Private Limited  
JRR Udyog  
Rideema Enterprises.  
D.P. Mhaiskar Foundation  
Jan Transport  
D S Enterprises

Enterprises over which significant influence is exercised by key managerial personnel

Mr. Jayant.Mhaiskar  
Mrs. Anuya Mhaiskar  
Mr. Dattatray Mhaiskar  
Mrs. Sudha Mhaiskar  
Mr. Murzash Manekshana  
Mr. Sameer A. Apte  
Mr. Uttam Pawar  
Mr. Subodh Garud

Key Management Person  
Key Management Person

# Notes to the consolidated financial statements

for the year ended 31 March 2015

## 29.8 Related party disclosures (Continued)

### B. Disclosures of material transactions with related parties and balances as at 31 March 2015

(₹ in Lakhs)

Particulars	Holding company		Enterprises over which significant influence is exercised by key managerial personnel		Key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
<b>Income from toll collection</b>								
D.S Enterprise	-	-	-	4,115.06	-	-	-	4,115.06
<b>Expenses incurred on behalf of</b>								
A.J.Tolls Private Limited	-	-	-	0.15	-	-	-	0.15
Ideal Energy Projects Limited	-	-	-	6.91	-	-	-	6.91
VCR Toll Services Private Limited	-	-	-	14.99	-	-	-	14.99
Ideal Toll & Infrastructure Private Limited	0.34	-	-	-	-	-	0.34	-
Jan Transport	-	-	6.00	-	-	-	6.00	-
KVM Technology Solutions Private Limited	-	-	5.77	-	-	-	5.77	-
<b>Loans given</b>								
Ideal Toll & Infrastructure Private Limited	-	223.00	-	-	-	-	-	223.00
A.J.Tolls Private Limited	-	-	-	40.97	-	-	-	40.97
Ideal Infoware Private Limited	-	-	-	1,500.00	-	-	-	1,500.00
IEPL Power Trading Company Private Limited	-	-	-	-	-	-	-	-
MEP Toll Gates Private Limited	-	-	200.00	-	-	-	200.00	-
Jan Transport	-	-	-	250.94	-	-	-	250.94
Ideal Hospitality Private Limited	-	-	2,000.00	-	-	-	2,000.00	-
<b>Repayments received during the year</b>								
Ideal Toll & Infrastructure Private Limited	1,877.99	223.00	-	-	-	-	1,877.99	223.00
Jan Transport	-	-	-	3,893.81	-	-	-	3,893.81
Ideal Hospitality Private Limited	-	-	2,000.00	-	-	-	2,000.00	-
Ideal Energy Projects Limited	-	-	29.28	6.27	-	-	29.28	6.27
IEPL Power Trading Company Private Limited	-	-	-	72.79	-	-	-	72.79
A.J.Tolls Private Limited	-	-	-	524.91	-	-	-	524.91
Rideema Enterprises	-	-	-	4,785.99	-	-	-	4,785.99
<b>Advances given</b>								
A J Tolls Private Limited	-	-	-	500.00	-	-	-	500.00
Jan Transport	-	-	-	1,939.82	-	-	-	1,939.82
Ideal Toll & Infrastructure Private Limited	990.49	2,750.00	-	-	-	-	990.49	2,750.00
<b>Repayment of advances given</b>								
A J Tolls Private Limited	-	-	500.00	524.91	-	-	500.00	524.91

# Notes to the consolidated financial statements

for the year ended 31 March 2015

## 29.9 Related party disclosures (Continued)

### B. Disclosures of material transactions with related parties and balances as at 31 March 2015

(₹ in Lakhs)

Particulars	Holding company		Enterprises over which significant influence is exercised by key managerial personnel		Key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
Jan Transport	-	-	-	3,893.81	-	-	-	3,893.81
Ideal Energy Projects Limited	-	-	-	6.27	-	-	-	6.27
IEPL Power Trading Company Private Limited	-	-	-	72.79	-	-	-	72.79
Rideema Enterprises	-	-	-	4,785.99	-	-	-	4,785.99
Ideal Toll & Infrastructure Private Limited	10,850.99	-	-	-	-	-	10,850.99	-
<b>Loans taken</b>								
Ideal Toll & Infrastructure Private Limited	4,934.13	16,514.99	-	-	-	-	4,934.13	16,514.99
Ideal Energy Projects Limited	-	-	-	49.28	-	-	-	49.28
IEPL Power Trading Company Private Limited	-	-	800.00	309.39	-	-	800.00	309.39
Mrs. Anuya Mhaiskar	-	-	-	-	-	5.69	-	5.69
Mr. Jayant Mhaiskar	-	-	-	-	100.00	6,265.90	100.00	6,265.90
<b>Loans repaid during the year</b>								
Ideal Toll & Infrastructure Private Limited	5,340.59	17,082.64	-	-	-	-	5,340.59	17,082.64
Ideal Energy Projects Limited	-	-	-	20.00	-	-	-	20.00
IEPL Power Trading Company Private Limited	-	-	800.00	309.39	-	-	800.00	309.39
Mrs. Anuya Mhaiskar	-	-	-	-	-	5.69	-	5.69
Mr. Jayant Mhaiskar	-	-	-	-	-	6,263.87	-	6,263.87
<b>Receipt of trade receivables</b>								
D.S Enterprise	-	-	(309.76)	1,873.30	-	-	(309.76)	1,873.30
<b>Investment in shares of Rideema Toll Private Limited from</b>								
Ideal Toll & Infrastructure Private Limited	-	414.60	-	-	-	-	-	414.60
Mr. Jayant Mhaiskar	-	-	-	-	-	567.00	-	567.00
<b>Investment in shares of MEP Highway Solutions Private Limited from</b>								
Mrs. Anuya Mhaiskar	-	-	-	-	-	0.49	-	0.49
Mr. Jayant Mhaiskar	-	-	-	-	-	0.49	-	0.49
<b>Investment in shares of MEP RGSL Toll Bridge Private Limited from</b>								
Mrs. Anuya Mhaiskar	-	-	-	-	-	0.49	-	0.49
Mr. Jayant Mhaiskar	-	-	-	-	-	0.49	-	0.49

# Notes to the consolidated financial statements

for the year ended 31 March 2015

## 29.8 Related party disclosures (Continued)

### B. Disclosures of material transactions with related parties and balances as at 31 March 2015

(₹ in Lakhs)

Particulars	Holding company		Enterprises over which significant influence is exercised by key managerial personnel		Key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
<b>Interest income</b>								
Ideal Toll & Infrastructure Private Limited	1,100.23	1,130.84	-	-	-	-	1,100.23	1,130.84
A.J.Tolls Private Limited	-	-	-	3.63	-	-	-	3.63
Ideal Infoware Private Limited	-	-	-	145.07	-	-	-	145.07
IEPL Power Trading Company Private Limited	-	-	-	4.05	-	-	-	4.05
Anuya Enterprises	-	-	-	447.50	-	-	-	447.50
Rideema Enterprises	-	-	-	499.52	-	-	-	499.52
MEP Toll Gates Private Limited	-	-	23.90	-	-	-	23.90	-
<b>Receipt of interest income</b>								
Ideal Toll & Infrastructure Private Limited	1,906.19	98.31	-	-	-	-	1,906.19	98.31
Ideal Infoware Private Limited	-	-	-	145.07	-	-	-	145.07
Anuya Enterprises	-	-	-	108.29	-	-	-	108.29
Rideema Enterprises	-	-	-	119.28	-	-	-	119.28
Receipt of Other Receivable	-	-	-	-	-	-	-	-
Rideema Enterprises	-	-	31.53	-	-	-	31.53	-
<b>Sale of Fixed Assets</b>								
Rideema Enterprises	-	-	6.95	-	-	-	6.95	-
<b>Road repairing charges paid</b>								
Ideal Toll & Infrastructure Private Limited	2,734.40	2,591.87	-	-	-	-	2,734.40	2,591.87
Ideal Hospitality Private Limited	-	-	-	-	-	-	-	-
<b>Share application money Received</b>								
Ideal Toll & Infrastructure Private Limited	2,500.00	-	-	-	-	-	2,500.00	-
Mr. Jayant Mhaiskar	-	-	-	-	0.50	-	-	0.50
Mr. Anuya J. Mhaiskar	-	-	-	-	0.50	-	-	0.50
<b>Share allotted</b>								
Ideal Toll & Infrastructure Private Limited	2,500.00	-	-	-	-	-	2,500.00	-
Mr. Jayant Mhaiskar	-	-	-	-	0.50	-	-	0.50
Mr. Anuya J. Mhaiskar	-	-	-	-	0.50	-	-	0.50
<b>Sale of Subsidiaries shares</b>								
Ideal Toll & Infrastructure Private Limited	745.26	-	-	-	-	-	745.26	-

# Notes to the consolidated financial statements

for the year ended 31 March 2015

## 29.9 Related party disclosures (Continued)

### B. Disclosures of material transactions with related parties and balances as at 31 March 2015

(₹ in Lakhs)

Particulars	Holding company		Enterprises over which significant influence is exercised by key managerial personnel		Key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
<b>Share application money invested, returned back</b>								
Ideal Hospitality Private Limited	-	-	2,090.00	1,020.00	-	-	2,090.00	1,020.00
<b>Investment in Preference shares</b>								
Ideal Hospitality Private Limited	-	-	2,090.00	-	-	-	2,090.00	-
<b>Investment in Equity shares</b>								
KVM Technology Solutions Private Limited	-	-	0.33	-	-	-	0.33	-
<b>Managerial remuneration</b>								
Mr. Jayant Mhaiskar	-	-	-	-	150.75	240.00	150.75	240.00
Mr. Anuya J. Mhaiskar	-	-	-	-	36.00	-	36.00	-
Mr. Murzash Manekshana	-	-	-	-	240.00	240.00	240.00	240.00
Mr. Sameer Apte	-	-	-	-	8.81	8.81	8.81	8.81
Mr. Subodh Garud	-	-	-	-	19.89	-	19.89	-
<b>II) Balances at the end of the year</b>								
<b>Loans and advances receivable</b>								
Ideal Toll & Infrastructure Private Limited	35,844.64	37,500.00	-	-	-	-	35,844.64	37,500.00
MEP Toll Gates Private Limited	-	-	200.00	-	-	-	200.00	-
A.J.Tolls Private Limited	-	-	-	500.00	-	-	-	500.00
Ideal Energy Projects Limited	-	-	-	20.00	-	-	-	20.00
VCR Toll Services Private Limited	-	-	-	14.80	-	-	-	14.80
MEP Hamirpur Bus Terminal Private Limited	-	-	0.61	-	-	-	0.61	-
MEP Una Bus Terminal Private Limited	-	-	1.92	-	-	-	1.92	-
<b>Mobilisation advance given</b>								
Ideal Toll & Infrastructure Private Limited	6,739.69	17,590.67	-	-	-	-	6,739.69	17,590.67
Unsecured loans/advances payable								
Ideal Toll & Infrastructure Private Limited	-	406.46	-	-	-	-	-	406.46
Mr. Jayant Mhaiskar	-	-	-	-	100.00	22.00	100.00	22.00
<b>Trade payables</b>								
Ideal Toll & Infrastructure Private Limited	-	1.90	-	-	-	-	-	1.90
<b>Other Current Liabilities</b>								
Ideal Energy Projects Limited	-	-	-	29.28	-	-	-	29.28

# Notes to the consolidated financial statements

for the year ended 31 March 2015

## 29.8 Related party disclosures (Continued)

### B. Disclosures of material transactions with related parties and balances as at 31 March 2015

(₹ in Lakhs)

Particulars	Holding company		Enterprises over which significant influence is exercised by key managerial personnel		Key managerial personnel		Total	
	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2015	Year ended 31 March 2014
<b>Investment in Preference shares</b>								
Ideal Hospitality Private Limited	-	-	2,090.00	-	-	-	2,090.00	-
<b>Other receivables</b>								
VCR Toll Services Private Limited	-	-	11.74	-	-	-	11.74	-
KVM Technology Solutions Private Limited	-	-	5.77	-	-	-	5.77	-
Rideema Enterprises	-	-	6.95	31.53	-	-	6.95	31.53
<b>Advance given</b>								
Ideal Toll & Infrastructure Private Limited	2,694.30	-	-	-	-	-	2,694.30	-
<b>Advances recoverable in cash or kind</b>								
Jan Transport	-	-	-	-	-	-	-	-
<b>Trade receivables</b>								
D.S Enterprise	-	-	2,551.53	2,241.76	-	-	2,551.53	2,241.76
<b>Investment in shares</b>								
KVM Technology Solutions Private Limited	-	-	0.33	-	-	-	0.33	-
A.J.Tolls Private Limited	-	-	3.30	3.30	-	-	3.30	3.30
<b>Advance against acquisition of equity/preference shares</b>								
Ideal Energy Projects Limited	-	-	-	0.48	-	-	-	0.48
Ideal Toll & Infrastructure Private Limited	-	584.80	-	-	-	-	-	584.80
MEP Toll Gates Private Limited	-	-	-	0.16	-	-	-	0.16
<b>Managerial remuneration</b>								
Mr. Jayant Mhaiskar	-	-	-	-	5.73	66.81	5.73	66.81
Mr. Anuya J. Mhaiskar	-	-	-	-	-	-	-	-
Mr. Murzash Manekshana	-	-	-	-	10.69	10.73	10.69	10.73
Mr. Sameer Apte	-	-	-	-	0.70	0.57	0.70	0.57
Mr. Subodh Garud	-	-	-	-	1.77	-	1.77	-
<b>Interest receivable on loan given</b>								
Ideal Toll & Infrastructure Private Limited	32.45	948.43	-	-	-	-	32.45	948.43
IEPL Power Trading Company Private Limited	-	-	0.58	0.58	-	-	0.58	0.58
MEP Toll Gates Private Limited	-	-	21.51	-	-	-	21.51	-
A J Tolls Private Limited	-	-	0.17	0.17	-	-	0.17	0.17

# Notes to the consolidated financial statements

## for the year ended 31 March 2015

### 29.9 Domestic transfer pricing

The Indian Finance Bill, 2012 had sought to bring in certain class of domestic transactions in the ambit of the transfer pricing regulations with effect of 1 April, 2012. The Company's/Group's management is of the opinion that its domestic transactions with associated enterprises are at arm's length so that appropriate legislation will not have an impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation. The Company/Group does not have any international transactions during the year.

### 29.10 Expenditure in foreign currency (on accrual basis)

Particulars	31 March 2015	31 March 2014
Travelling expenses	0.81	-
	0.81	-

### 29.11 Prior period expense (net)

Prior period expense (net) in the Statement of Profit and Loss is a net result of prior period charge towards maintenance cost paid to Authority of ₹ 50.88 lakhs, professional fees of ₹ 14.78 lakhs, ESIC of ₹ 1.50 lakhs, membership fees of ₹ 2.97 lakhs, Finance cost of ₹ 77.10 lakhs and prior period income of ₹ 40.89 lakhs towards reversal of share issue expenses charged in previous year.

Prior period expense (net) in the Statement of Profit and Loss for the year ended 31 March 2014 is a net result of prior period charge towards concession fees paid to Authority ₹ 89.39 lakhs, ESIC of ₹ 1.87 lakhs and Toll Collection of ₹ 7.50 lakhs.

### 29.12 Other matters

Information with regards to other matters specified in Schedule III to the Act, is either nil or not applicable to the Company/Group for the year.

### 29.13 Previous year comparatives

Previous year's figures have been reclassified wherever necessary to conform to the current year's presentation

Particulars	Note No.	Amount as per previous year financials	Adjustments	Revised amount for previous year
Short-term loans and advances	20	9,167.35	14.82	<b>9,152.53</b>
Other current assets	21	3,206.12	(14.82)	<b>3,220.94</b>

As per our report of even date attached.

#### For B S R and Co

Chartered Accountants  
Firm's Registration No: 128510W

#### For Parikh Joshi & Kothare

Chartered Accountants  
Firm's Registration No: 107547W

For and on behalf of the Board of Directors of  
MEP Infrastructure Developers Limited  
CIN: U45200MH2002PLC136779

#### Vijay Mathur

Partner  
Membership No: 046476

Mumbai  
Date : August 4, 2015

#### Yatin R. Vyavaharkar

Partner  
Membership No: 033915

Mumbai  
Date : August 4, 2015

#### Jayant D. Mhaiskar

Managing Director  
DIN: 00716351

M. Sankaranarayanan  
Chief Financial Officer

Mumbai  
Date : August 4, 2015

#### Anuya J. Mhaiskar

Director  
DIN: 00707650

Shridhar Phadke  
Company Secretary











CIN: U45200MH2002PLC136779

Regd. Office: A-412, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri (E), Mumbai 400 072.

E-mail: [investorrelations@mepinfra.com](mailto:investorrelations@mepinfra.com) Website: [www.mepinfra.com](http://www.mepinfra.com)

Tel: 91 22 6120 4800 Fax: 91 22-6120 4804