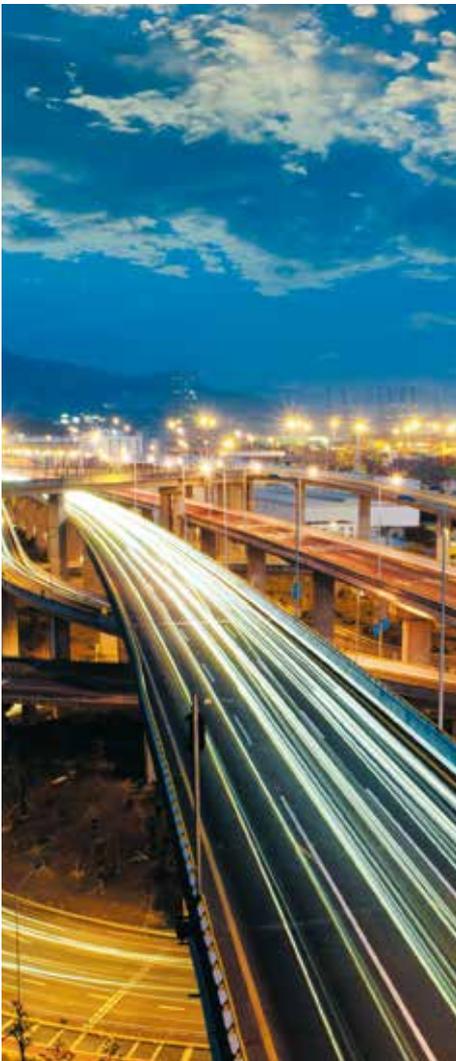


PAVING THE WAY TO  
**SUCCESS**

ANNUAL REPORT 2016-17





## Forward-looking information

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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MEP Infrastructure Developers Ltd. is one of the fastest growing Indian infrastructure companies engaged in road construction, operation, maintenance and toll collection.

We are committed to improve the quality of life for people across the country with our road infrastructure projects to usher a new era in the nation's infrastructure development. MEP proactively focuses on quality, diversification and environment protection, which has bolstered our reputation and garnered trust within the industry.

Our ability to take on challenges is backed by a strong and determined team of people with the passion to achieve targeted results. We believe that People are our biggest assets who's value always appreciate.

Our endeavor is to deliver value to all our stakeholders and grow our position in the infrastructure development industry through ethical, sustainable and profitable means.

MEP Infrastructure Developers Ltd.

# Leader in the business of Toll collection and OMT in India

*(Source: CRISIL Report 2014 and 2016)*

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Awarded as one of the  
**'Best Infrastructure  
brands, 2016'**

By Economic Times in association with KPMG

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Awarded  
**'Best Infrastructure  
Company, Maharashtra'**

By IBN7 Worldwide Achievers

**14+**  
Years of experience

**129**  
Total no. of  
projects executed

Rajiv Gandhi Sea Link, Mumbai : OMT project

63%

Share of  
long-term projects  
in total revenue in FY17

12

States  
Footprint in India

1254

Toll lanes  
covered under  
toll collection projects

3632

Lane kms  
covered under  
HAM, BOT and OMT

2877

Total workforce

₹3837<sup>cr</sup>

HAM order book

All figures as on 31st May, 2017

MEP Infrastructure Developers Ltd.

# Bringing passion to perseverance



Hyderabad Bangalore OMT project

## Background

An enterprise founded by the Mhaiskar family, MEP Infrastructure Developers Limited is a Mumbai-headquartered organization with a footprint in 12 States across the country. Established in 2002, as a toll management company, MEP today is an end-to-end road infrastructure company, covering construction, operation and continue maintenance of road and

road assets in India.

The Company has a successful track record of over 14 years of operational excellence pan India, having executed more than 120 projects across the country. Since commencing operations in 2002 from a pure toll collection business model, MEP has evolved into a diversified Infrastructure company having operations in road construction, OMT and toll collection.

The Company forayed into the Hybrid Annuity space of road construction in 2016 with six major road projects. It commands a significant market share in this space with a current order book of around ₹4,000 cr covering 1060 lane kms. MEP has a strong workforce of 2,877 employees across verticals - tolling, civil and technical competencies - covering the entire business value chain.

## Vision

To strive towards transforming surface infrastructure into an enriching customer experience.

## Mission

To enhance value for stakeholders through intelligence, innovation and integration.

To deliver superior value to our stakeholders by being the leading benchmark of excellence in the field of surface infrastructure.

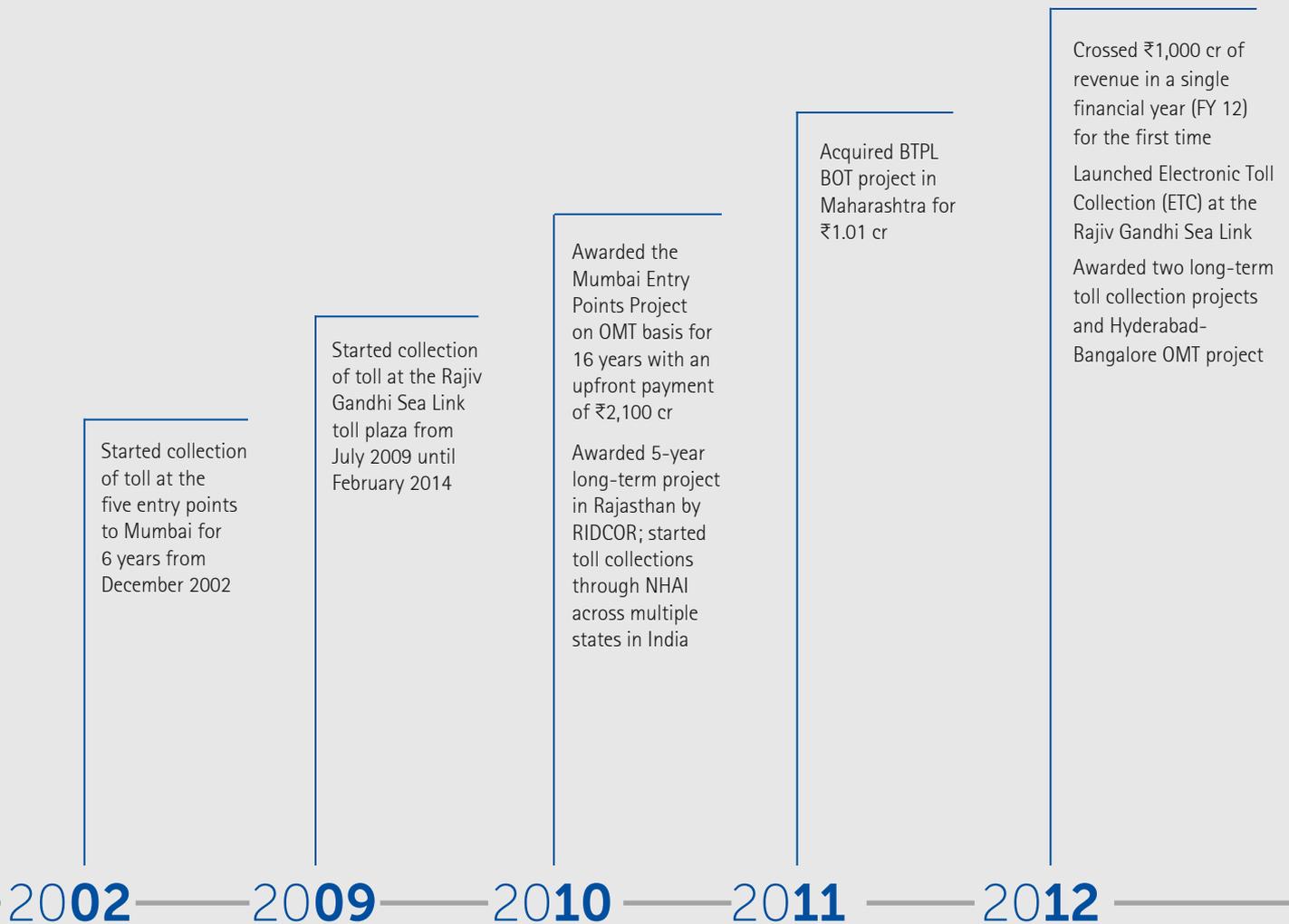
## Core values

Achieve excellence, operate with the highest standards of integrity and employ a diverse workforce that values collaboration.

## Brand attributes

Every aspect of MEP's business is characterized by integrity, innovation, intelligence and high standards of corporate governance.

# Journey over the years



2013-14

Awarded a 3-year OMT contract by MSRDC for the Rajiv Gandhi Sea Link in Mumbai  
Awarded multiple OMT projects and tolling collection projects in Tamil Nadu, Andhra Pradesh and Maharashtra

2015

Listed on BSE and NSE on 6th May, 2015 with an IPO of ₹324 cr  
Awarded various toll collection and toll maintenance projects through consortium

2016

Entered into joint venture with San Jose India for construction of Hybrid Annuity Model projects  
Won 6 HAM projects in Maharashtra and Gujarat in March-June 2016, covering 1,059.97 lane-kms worth ₹3836.99 cr

2017

Achieved financial closure for all 6 HAM projects and received Appointed Date for 4 out of 6 projects (as on May 31st, 2017)  
Crossed the landmark figure of 1 lakh ETC patrons (Electronic Toll Collection) in Mumbai covering the Rajiv Gandhi Sea Link and the five Mumbai Entry Point toll plazas.  
Inked a Memorandum of Understanding with Government of Malaysia's Construction Industry Development Board (CIDB) to strengthen, promote and develop their cooperation through knowledge sharing and introducing their best practices towards the joint development of sustainable highway and expressway projects in India and related investments.



## Our esteemed clients

सड़क परिवहन और राजमार्ग मंत्रालय  
MINISTRY OF ROAD TRANSPORT & HIGHWAYS  
भारत सरकार Government of India



MUMBAI - JNPT  
PORT ROAD  
COMPANY  
LIMITED

**Brookfield**

## Our partners in progress



# This is how we strengthened our business in 2016-17

## Key operational highlights

Won 3 Hybrid Annuity projects – Talaja Mahuva and Mahuva Kagavadar from NHAI in Gujarat and Kante-Waked project from MORTH in Maharashtra. This resulted in a total of 6 HAM projects valued at ₹3836.99 cr covering 1059.97 lane kms.

Inked a Memorandum of Understanding with Government of Malaysia's Construction Industry Development Board (CIDB).

Year-end project portfolio comprised 14 projects: 6 HAM (1059.97 lane kms), 1 BOT (42 lane kms with 5 toll plazas), 3 OMT (1361.32 lane kms under maintenance with 9 toll plazas) and 4 Toll collection projects (5 toll plazas in 5 states).

Awarded one Long term and 8 Short-term toll collection projects.

Entered into a Service Level Agreement with Mumbai Nashik Expressway Limited, a Brookfield controlled entity, for rendering services as per the scope of the SLA, including operating and managing 2 toll plazas and allied facilities – Arjunali & Ghoti toll plazas for a period of 3 years.

Received appointed date and commenced work for 4 out of 6 projects (Nagpur 2 projects + Gujarat 2 projects).

MEPIDL is the EPC arm for the completion of the road projects won under HAM.

Received the Certificate of Registration as an Infrastructure Investment Trust from SEBI to set up an InVIT.

## Year-end project portfolio

14

Total number of projects under HAM, BOT, OMT and toll

6

HAM projects  
1059.97 lane kms

4

Toll collection projects  
5 toll plazas in 5 states

3

OMT projects  
1361.32 lane kms  
with 9 toll plazas

1

BOT project  
42 lane kms  
with 5 toll plazas

## Key financial highlights

PAT for the FY17 increased to ₹109 cr as compared to ₹(37 cr) in the previous year.

Finance cost reduced by ₹149 cr to ₹493 cr in FY17 as against ₹642 cr in the previous year.

Revenue for the year stood at ₹1,729 cr.

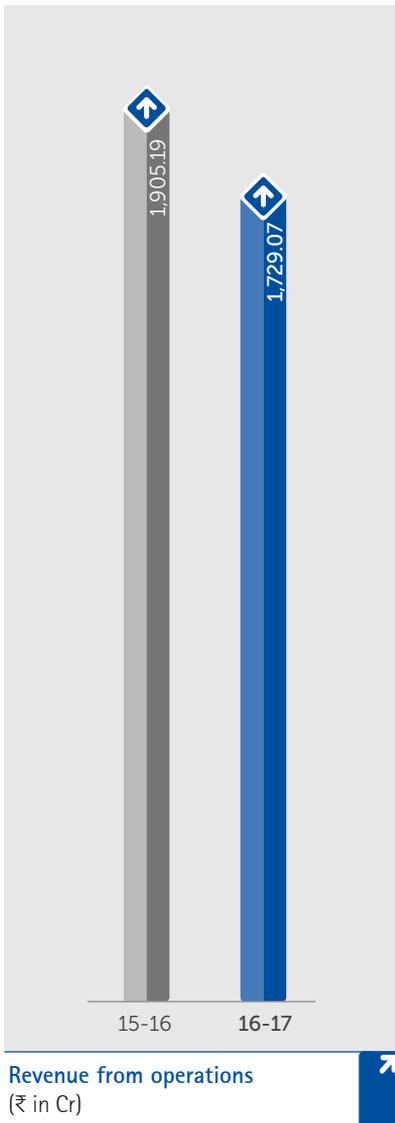
Successfully achieved financial closure for all 6 hybrid annuity projects with a project finance of ₹1726.65 cr.

Earning per share for FY17 stood at ₹6.70 as compared to ₹(2.31) in FY16.

The Board of Directors have recommended a final dividend of ₹0.15 per equity share of the face value of ₹10/- per share.

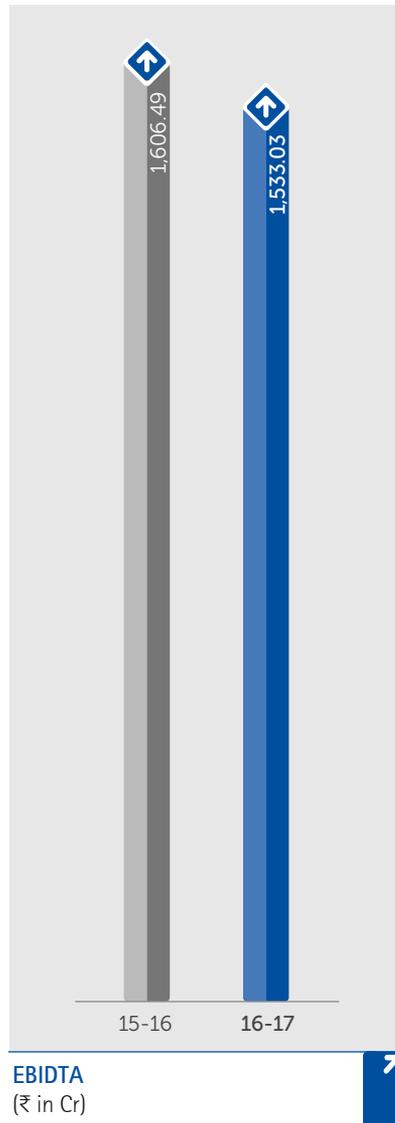
Company's consolidated debt reduced by ₹122 cr to ₹2,949 cr in FY17 as against ₹3,071 cr in the previous year.

# Financial Overview



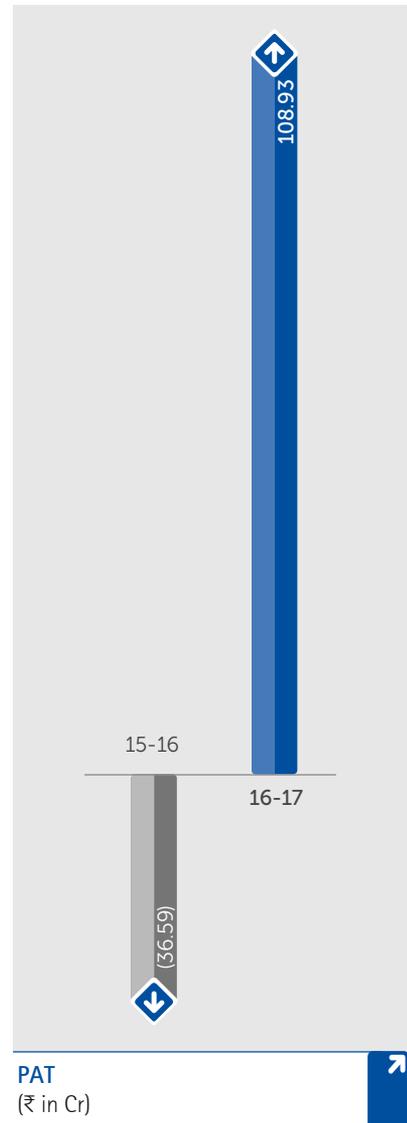
**Why we measure:** This index measures the effectiveness of our business selection, presence and potential market selection.

**Performance:** Revenues declined to ₹1,729.07 cr in FY17 vis-à-vis ₹1,905.19 cr in FY16 due to the completion of RIDCOR, Kini Tasawade project and handing over of the Chennai and Madurai Kanyakumari projects to the authority.



**Why we measure:** This index measures business efficiency in absolute terms.

**Performance:** Decrease in EBIDTA due to a corresponding reduction in turnover and higher operating and maintenance costs.

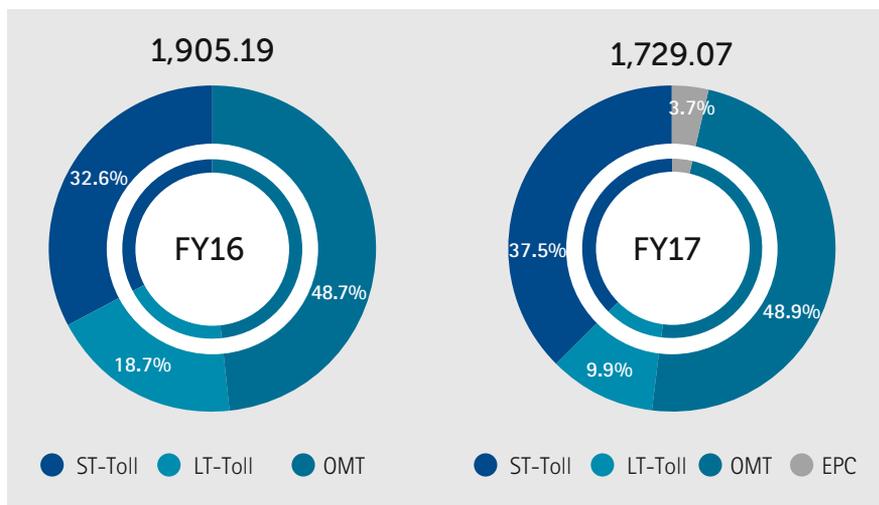


**Why we measure:** This measure is an index of the Company's ability to generate attractive returns and business soundness.

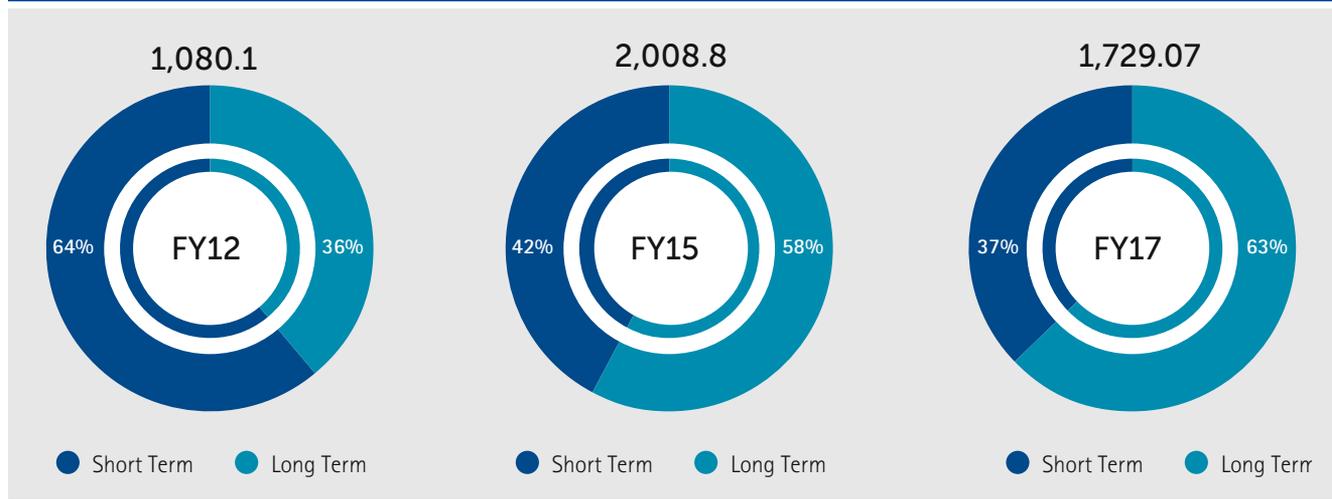
**Performance:** The Company reported a profit after tax of ₹108.93 cr. PAT margin improved to 6.3% in FY17 from (1.9)% in FY16 due to a reduction in finance costs.

# Revenue mix

## YEARLY ANALYSIS (₹ CR)



## INCREASING FOCUS ON LONG TERM PROJECTS (₹ CR)



The Company forayed into the HAM space in 2016 with six HAM projects and contributed EPC revenues of ₹63 cr in FY17. The revenue from long-term projects stood at ₹172 cr in FY17 against ₹356 cr in the previous year.

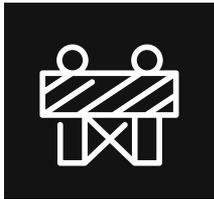
This was mainly due to handover of the IRDP Solapur, Kini Tasawade and RIDCOR projects.

Under the OMT space, the revenues were ₹846 cr against ₹928 cr in FY16. The decrease in revenue was due to the handing over

of the Chennai and Madurai Kanyakumari projects to the Authority. Short-term tolling contributed ₹648 cr to the total revenue versus ₹621 cr in FY16.

# In a rapidly-growing sector, MEP Infra has transformed its personality even faster

## Business model



## Key strengths

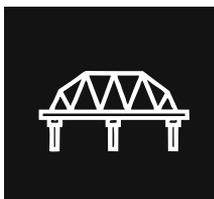
- The low risk nature of the business model allows for a lower project cost and quicker payoff.
- Diversified mix of short-term and long-term projects allows longevity of the business as short-term projects provide visibility for the future pipeline of OMT/TOT projects.
- One of the only few Indian infrastructure companies with the domain expertise to take on projects in road construction, maintenance and toll collection – severally and collectively.

## Traffic survey and revenue forecasting



- The in-house traffic study and revenue forecasting capacity and expertise strengthens the Company's ability to evaluate new projects and tender effectively for toll collection and OMT contracts.
- Forecasting is enhanced through various traffic estimation techniques, maintaining a historical data bank and refreshing the data periodically.
- The dual responsibility for conducting pre-bidding traffic surveys as well as monitoring loss in revenue on account of non-paying vehicles for ongoing projects.

## Civil construction and maintenance



- In-house experts with significant experience for supporting and managing all EPC and maintenance related activities.
- In-house equipment and resource availability for implementing routine and major maintenance works.
- State-of-the-art equipment such as concrete batching plant, crusher plant, slipform paver etc. for the execution of road construction projects.

- The Company benefits from an early-mover's advantage in the tolling sector as it began operations at Mumbai Entry Points in December 2002.
- Diversified presence in India with the ability to manage multiple quality projects across different geographical terrains. This 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.

### Early-mover's advantage



- The business of toll collection works on two important levers: operational efficiency and revenue optimization. MEP uses advanced world-class technologies to maximize both effectively.
- The company is in the business of toll collection in cash. Hence it is imperative to have control systems in place to monitor leakages. There are more than 600 cameras installed for all its projects across India. MEP has commissioned a centralized control room at its Airoli office, in Mumbai to consolidate camera feeds from all its toll plazas to enable 24x7 video-based monitoring of toll operations.
- In 2002, it commissioned an automatic vehicle tracking and counting mechanism to strengthen throughput forecasting and minimize leakages, one of the first such instances in India.
- The Company's strategic investments in cutting-edge technology helped graduate India's toll collection experience to international standards. The Company was instrumental in implementing the RFID technology-based electronic tolling in 2012 in the form of ETC tags at the Rajiv Gandhi Sea Link and the five Mumbai entry points, the first use of its kind in the commercial capital of India. MEP had more than 130,000 ETC tag patrons across Mumbai (as on May 31st, 2017).
- In 2015, MEP embarked on a strategic decision to invest in cutting-edge applications that would graduate the country's toll collection experience to the international standard. What proved to be the game-changer is that the company did not just commission this service for captive use but also made a merchant application of this competence and in doing so, emerged as a technical service provider to 41 toll plazas out of the 100 public-funded projects in India. This work was awarded by Indian Highway Management Company Ltd (NHAI initiative) to the MEP Consortium and this engagement could generate ₹150 cr in contract value across five years, making its technological investment more than pay for itself.

### Technological advancement





30 minutes with the Vice Chairman and Managing Director

“There is an over-riding message for shareholders: MEP is at the cusp of a rare sectoral opportunity”

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

**Q: Was the management of the Company pleased with the performance of the Company in FY16-17?**

**A:** The MEP team was pleased with the way it grew the business in a holistic manner in FY16-17. During the year, the Company completed a few projects viz. RIDCOR and Kini Tasawade and also handed over the Chennai and Madurai Kanyakumari projects to the Authority. MEP's consolidated revenues stood at ₹1,729 cr in FY17. The Company's EBIT stood at ₹507 cr with a strong EBIT margin of 30%. PAT increased to ₹109 cr in FY17 as compared to ₹(37 cr) in the previous year. PAT margins improved to 6.3% from a negative 1.9% in FY16 owing to a reduction in finance costs to ₹493 cr in FY17 as against ₹642 cr in the previous year. The Company forayed into the Hybrid Annuity space of road construction in 2016 and has already booked EPC revenue of ₹63 cr in FY17.

The Board of Directors have recommended a final dividend of ₹0.15 per equity share of the face value of ₹10/- per share.

**Q: The Company forayed into the Hybrid Annuity space of road construction in 2016. Take us through your order book in this space.**

**A:** MEP ended the year with a robust order book of six HAM projects valued at ₹3836.99 cr. It has successfully achieved full financial closure for all 6 HAM projects with project finance of ₹1726.65 cr, which accounts for 45 % of the project cost. The Company also received the Appointed Date for the commencement of work for four of six projects (Nagpur Ring Road 1, Nagpur Ring Road 2 in Maharashtra and Talaja-Mahuva, Mahuva-Kagavadar projects in Gujarat).

Given the significant market share of the Company in the HAM space and the fact that NHAI is expected to award 80% road projects through the EPC or HAM routes, we see attractive opportunities for the Company in this space going forward.

**Q: How else did the Company strengthen its business during the year under review?**

**A:** The Company strengthened its credentials as a full-fledged infrastructure company by entering into an alliance with CIDB Holdings, a fully-owned subsidiary of Malaysia's Construction Industry and Development Board, to address an entirely new business opportunity. Under this MOU agreement, both parties will endeavor to strengthen, promote and develop their cooperation by knowledge sharing and introducing their best practices towards joint development of sustainable highways and expressway projects in India and related investments.

The Company is in active discussion with EPC construction companies from China and Korea for prospective bidding, which allows the Company to expand into new geographies within the country.

**Q: The big question is where the Company goes from here.**

**A:** One of the biggest opportunities for the Company lies in re-sizing its Balance Sheet and creating a foundation for sustainable growth. The Company will actively pursue efforts to bring down the cost of borrowing. It also intends to list the InvIT (Infrastructure Investment Trust) on the capital market, which allows a significant deleveraging of the Balance Sheet. We have already received an in-principle approval from SEBI and are in advanced stages of filing of DRHP. We believe that the InvIT offering will moderate our debt, reduce our borrowing cost and generate steady cash flows.

**Q: With the recent suspension of toll for almost a month, how much toll loss have you witnessed? What is the update on compensation from the Authorities?**

**A:** We, at MEP, welcome the Government's vision to fight corruption and go on the progressive path of demonetisation.

Currently, the Company is operating its toll business predominately with NHAI and state authorities such as MSRDC, RIDCOR, etc.

The Company's EBIT stood at ₹507 cr and it maintained a strong EBIT margin of 30%. PAT increased to ₹109 cr in FY16-17 as compared to ₹(37 cr) in the previous year.

The NHAI tolling contracts, both the one-year short-term tolling and the long-term OMT contracts and contracts with State authorities have specific clauses / provisions to address any change in law or force majeure events. Such clauses specify the manner of compensation to be awarded to the concessionaire in the event of any loss of revenue or additional costs. We submitted our claims to the respective authorities and the same is under consideration.

The demonetisation initiative also served as an impetus to create more awareness among the commuters about the electronic mode of toll payments, bringing a larger customer base to the e-platform.

**Q: How does the management perceive the future? What is the way forward?**

**A:** Under HAM, we already have an order book of close to ₹4000 cr. Going forward, the Company will be evaluating HAM, in which it already holds a significant market share, and EPC, where it is likely to bid for some large state & national highway road projects. Apart from this, MEP will also participate in TOT projects for which a couple of packages were announced recently and likely to be bid for in the next 2 -3 months, wherein the bundling of toll plazas will be done and upfront money will be paid under the TOT concept, which we believe is our Company's forte.

At MEP, we believe that a change in our business mix, introduction of new technologies, effective government policies, increase in pan-India presence and the launch of InvITs can translate into healthy revenues and PAT growth across the coming years.

# “There is a structural shift happening in the global and Indian road infrastructure sector”

## Q: What is the principal optimism related to the country's road building sector?

A: We are placed in a period of time when the subject of roads is not just national; it has acquired an international geo-political dimension. The 'One Belt, One Road' that is being proposed by China is not just about connecting China with the nearest port; it is about connecting China with much of Asia, Africa and the European continent. For sheer daring, this could be the largest infrastructure opportunity in the world that could completely redefine global trade and business dynamics, bringing the role of roads in driving the global economy to the absolute centre-stage. I would also add that roads are defining Asian power shifts: the road connectivity between China through Pakistan to the emerging Gwadar port could transform economic and political realities faster than possibly any other single South Asian development.

## Q: How would you compare this reality with the sectoral background in India?

A: Before I come to the Indian scenario, I would like to explain the complete disconnect between a growing global urgency around

USA built 21 kms of road per 1000 persons, while India had only 3.8 kms per 1000 persons. Besides, the length of national highways/ expressways was a meagre 100,087.08 kms - about 2% of the total road length network but carrying 40% of the country's road traffic.

roads and the scenario that existed before this Indian government assumed office in 2014.

India's extensive road network of around 48.7 lakh kms about three years ago was the second largest in the world after USA. While this would indicate a road building priority, the reality was that India's road building penetration was considerably low compared with its population: USA built 21 kms of road per 1000 persons, while India had only 3.8 kms per 1000 persons. Besides, the length of national highways/expressways was a meagre 100,087.08 kms - about 2% of the total road length network but carrying 40% of the country's road traffic. Worse, India ranked 74th (out of 140) and 61st (out of 140) in terms of quality of overall infrastructure and quality of roads respectively as per the World Economic Forum Report for FY15-16. The result was that India incurred US\$ 6.6 bn in annual costs arising out of transportation delays; India's annual additional fuel consumption arising out of the delays was estimated at US\$ 14.7 bn.

The result was a national consensus: to build new roads faster, widen the existing ones, improve road conditions through round-the-year maintenance, increase the length of national highways and access-controlled expressways as a percentage of the total road length network, replace manual toll collection with electronic toll collection, minimize delays related to documentation checks, fees, tax payments at check posts and state borders as well as overall documentation to enhance logistics efficiency. One would have believed that when faced with this evidence, the country would have responded positively and commensurately: the reality is that road construction came virtually to a standstill in the years before 2014; only about 1,000 kms of road construction contracts were awarded in 2013.





Rajiv Gandhi Sea link toll plaza



Airolī toll plaza: Part of the Mumbai Entry Point project

# “The Indian Government is playing the role of an active facilitator”



**Q: How is the Indian Government addressing the need to grow the country's road building sector?**

**A:** I must start by complimenting the Indian Government – without qualification or reservation. This Indian Government has in the space of just three years, achieved what would normally have taken years to do. The Government has taken perhaps the largest element of India's infrastructure and completely transformed the picture. The result of the Indian Government's proactive response has got serious global investors to sit up and take notice. I am not sounding dramatic when I say that India's road building sector is showing signs of acquiring the size and scope generally reserved for China's successful infrastructure story today.

**Q: What numbers indicate that the scenario has transformed for the better?**

**A:** There has been an across-the-board improvement: from a time when 1000 kms of road building contracts would be issued to more than 15000 kms of contracts being awarded per year. From a time (2011-14 average) when 73 kms of roads would be built in the country as part of the Pradhan Mantri Gram Sadak Yojana, 133 kms of roads were built per day in FY16-17. From a time when the average highway building pace would be 9 kms per day (2012-14), the pace increased to 17.2 kms per day in FY15-16 and 22 kms per day in FY16-17.

**Q: What are the fundamental features that have made this transformation a reality?**

**A:** The principal reality that represents the basis of this country's infrastructure transformation story is that the Government has recognized the need for a vibrant and viable infrastructure sector. I believe that

this simple recognition has been the central theme of the transformation of the country's highways and road building industry. There is a good reason behind this; if one has a basis for engagement in India's infrastructure creation, then the surpluses generated from this business will be redeployed into buying larger and better equipment that enhance productivity and project progress. In turn, we believe that this investment will only accelerate project completion, which will result in infrastructure being handed over to the country's citizens faster than ever, kick-starting a virtuous win-win cycle. This has already been articulated by the Minister of Road Transport and Highways, who has indicated what we always felt would happen: the accelerated construction of highways would contribute more than 200 basis points to the country's GDP in two years and create five mn jobs.

**Q: How has the Government's recognition translated into game-changing realities for infrastructure construction companies?**

**A:** There are a number of ways in which the Government has adapted itself in the last three years – it has transformed itself from the role of a harsh umpire keen to spell out the rules and enforce the code to a partner willing to take a realistic win-win view of how to make the road building sector attractive for Indian as well as global infrastructure builders and investors. The government has addressed various blockers: premium rescheduling, loan restructuring, exit to concessionaires, improving liquidity through InvIT and faster projects clearance (land acquisition and environment clearances) etc. I am pleased to say that this sector should attract the attention of serious long-term global investors.

**Q: What are the ramifications of this reality transformation?**

**A:** My humble submission is that the impact of this singular infrastructure liberalisation has yet to dawn on the country. I believe that these single broad-based initiatives will graduate the country from one level to another for the following reasons. Let us start with a simplistic reason: more roads or larger roads mean stronger economic growth – a theory that is too well known for me to elaborate here. However what is not immediately evident is how this will kick-start a rejuvenation of the entire ecosystem. Indian construction companies will resume aggressive re-investment based on credible order books and long-term growth prospects; we foresee a greater investment in equipment, a larger quantum of rural employment, a larger inflow of support from global pension funds, InvITs of Indian companies being listed on the exchanges, a new class of infrastructure-focused investors

emerging and a greater respect for Indian infrastructure as a separate asset class that commands global respect. From a position where Indian infrastructure was merely a concept, everyone is now convinced that it will become a reality and this process has already been initiated. This theme represents the sector's inflection point.

**Q: What makes you optimistic that this has already begun to happen?**

**A:** We have seen a confidence-enhancing framework emerge which has been well-received by infrastructure construction companies, translating into large increase in project launches and beginning to attract enthusiastic bidding, followed by financial closure resulting in actual construction either being implemented or getting near to the initiation point of construction. This entire sequence represents a validation of the sectoral turnaround: the confidence of the Government is increasing the

confidence of the construction companies, bankers, investors – complete ecosystem. The result: India has climbed from the 55th place in the World Competitive Index to 39th place in FY16-17 majorly due to accelerated infrastructure development. The transformation is already visible.

**Q: How has this enabling environment panned out in terms of project announcement and rollout?**

**A:** The Road Transport & Highways Ministry invested around ₹3.17 trillion (US\$ 47.55 bn) in the past two and a half years for building world-class highways in the country. Now compare this with the recent announcement made by our Honorable Minister of Road Transport and Highways that the Government has targeted ₹25 trillion (US\$ 372.8 bn) investment in infrastructure over the three years.



Mulund Eastern Express highway toll plaza in Mumbai

For developing countries, a 10% reduction in transportation cost could be accompanied with a growth of about 20% in international and domestic trade.



The Government has for the first time taken an integrated approach across the country's transportation sector with the Multi-modal logistic park. This includes setting up 35 multi-modal logistics parks at an investment of ₹50,000 cr, development of 50 economic corridors and an investment template that involves roping in States and the private sector for setting up special vehicles for implementation. This will increase India's exports, provide employment opportunities, will be cost-effective and will make goods cheaper in the country.

The National Highways Authority of India plans to invest around US\$ 250 bn to add around 50,000 kms over the next five to six years.

The Ministry of Road Transport and Highways has undertaken the development of about 7,000 kms of national highways under Bharatmala Pariyojana for an estimated ₹80,000 cr (US\$ 11.93 bn) in consultation with State Governments.

NHAI invited bids for preparing detailed project reports for road development along the borders and coast lines under the Bharat-Mala project.

The Union Government approved the construction of around 1,000 kms of expressways on a design-build-finance-operate-transfer (DBFOT) mode. The approved corridors are Delhi-Chandigarh (249 kms), Bengaluru-Chennai (334 kms), Delhi-Jaipur (261 kms) and Vadodara-Mumbai (400 kms). The Government will also take up the development of 135 km long Eastern Peripheral Expressway at an estimated cost of ₹5,763 cr (US\$ 859.34 mn).

The total expenditure of the Ministry of Road Transport and Highways for FY17-18 is estimated at ₹64,900 cr, 24% higher than the revised estimates for FY16-17. In FY17-18, of the total expenditure, the highest allocation is towards roads and bridges at 63% which indicates that the Government is focusing on infrastructure development.

What gives developers like us the confidence that this trend is sustainable is that the Cabinet Committee on Economic Affairs authorised the NHAI to monetise 75 publicly funded highway projects valued at ₹35,600 cr (US\$ 5.34 bn) via the toll-operate-transfer mode, with the objective of mobilizing funds to finance 2,700 km of road construction.

**Q: What has been the trickle-down impact of these announcements and positive measures?**

**A:** The most evident impact is that road construction pace has increased from 9 kms per day in FY12-14 to 17.2 kms per day in FY15-16 and ~ 22 kms per day in FY16-17, which could rise to ~41 km per day in FY17-18.

Our interactions with various stakeholders suggest that there is a growing investment appetite for good road assets with stable cash flows, average 5-6% traffic growth, 9-10% yields and equity IRR of 15-16%. We believe that lower interest rates, a favorable exit policy and streamlined regulations will only add to the investor confidence. NHAI plans to monetize 75 operational projects of 4,500 km under the TOT model to sovereign/pension funds for 25-30 years in return for an upfront one-time fee.

The result is that India has emerged centre-stage with respect to road building projects. India set a target to award 25,000 kms of road projects in FY16-17 under the Ministry of Road Transport and Highways and NHAI compared to 10,000 kms in FY15-16. The construction target for FY16-17 was 2.5 times of what was accomplished in the previous year. The Government's award of 16,800 km of highway contracts in FY16-17 was the highest across any country during that tenure.

The result is that over the last couple of years, India has emerged as possibly the most exciting road building infrastructure player in the world.

Also, NHAI's Masala Bond issue has attracted investors from across the spectrum. Essentially, investors can see that this government is fully committed to bridge India's infrastructure deficit, consistently investing in highways and other transport infrastructure to accelerate economic growth.

**Q: What do these realities mean for a company like MEP Infrastructure Developers?**

**A:** These developments indicate that the opportunity is large enough to keep us growing for years on end. The emerging priority would be to keep bidding for and winning contracts by widening our management bandwidth and growing to the extent that our Balance Sheet permits.

# “At MEP Infrastructure, we believe that hardwork is the only shortcut to success”

**Q: How is MEP Infrastructure Developers equipped to address the unprecedented opportunity within its sector?**

**A:** Over the years, one generally associated words like 'stability' for companies engaged in India's infrastructure sector. At MEP, we have consciously positioned our Company differently. We believe that if you try to address an absolutely unprecedented opportunity within our sector, what you need is a corresponding emotion: and that emotion is 'passion'. Hard work, we believe, is the only shortcut to success and by formulating a winning strategy, we unlock the hidden potential of our assets and set it free only to reinvest in one that is more profitable.

**Q: Why 'passion'?**

**A:** For a number of reasons. The ground realities within India's road infrastructure sector are transforming faster than ever before. The Government is announcing new projects, launching larger projects, lowering the bar to attract a larger number of players and providing increased access to funding lines. Thus there is a greater investor interest in taking this sector to the next level than ever before. What one needs in this dynamic environment is a quicker responsiveness, adaptability, ability to capitalize on opportunities and the capacity to translate project

awards to actual construction. We believe that this can only be possible if companies like us mutate faster than the external environment.

**Q: What are the other manifestations of the Company's passion?**

**A:** The ability to do what few would dare without compromising our desired risk appetite. For instance, we are being increasingly perceived as an opportunity-spotting company: not necessarily opportunities that have been prospected by a number of players but opportunities that are only just emerging with no clear indication to the others whether these would be attractive and sustainable.

At MEP, our passion has then been most visible in our early-mover responsiveness: when we bid for the HAM projects in the last year, a number of industry players were tentative about how the segment would pan out. MEP embraced this space on account of an informed understanding of ground realities, faith in the Government's sectoral direction and the strengths of its business model. This transpired into MEP bagging 6 HAM projects in 2016 with an order book of ₹3836.99 cr covering 1059.97 lane kms.

The big message is that there are opportunities where others see challenges; it is really about translating these opportunities into a strategy that maximizes the upside and moderates the downside. No; It is about not being just content with matching the sectoral growth average but focusing on outperformance; it is about graduating from one of the many players to a sectoral benchmark.

I must assure shareholders that we will attempt to grow faster without compromising our margins. We had indicated this in last year's annual report and we must reinforce this commitment this year as well: to 'finish first', we need to 'first finish'.

I must assure shareholders that we will attempt to grow faster without compromising our margins. We had indicated this in last year's annual report and we must reinforce this commitment this year as well: to 'finish first', we need to 'first finish'.





Mr Jayant D. Mhaikar receiving the prestigious Economic Times Best Infrastructure Brand, 2016 award from the Hon'ble Union Minister for Road Transport & Highways, Shipping, Chemical & Fertilizers, Mr Mansukh Mandaviya



# “The Hybrid Annuity Model is transforming the face of the road-building sector – and the country”

## **Q: What was the contextual background that made the introduction of the Hybrid Annuity Model urgent and necessary?**

**A:** The fact that India is an extensively under-penetrated country when it comes to roads and highways is well-known. One of the probable reasons for this under-penetration is that for long there was no viable financial model for building roads with prospects of traffic growth. For instance, the Government bore the sole responsibility of road building with the resources available. There was always a priority to spend on the more popular road circuits that catered to existing demand without engaging in missionary work to commission roads that would lead to prospective growth in new circuits. The result was that the Government addressed the needs of the day; however, there was little maneuvering to address the needs of tomorrow. It is our understanding that some of the fastest growing countries in the world have played this balance well; they have consistently invested in existing road connectivity between popular terminal points marked by growing traffic (through lane-widening and maintenance). This has served as an economic catalyst for the terminal and intermediate urban clusters. They have also played a responsible role in 'building' new connectivity points. In doing so, a number of these countries have followed the classical economic principle of 'supply creating demand' – a luxury that possibly India never had. Though a number of observers will ascribe this inequity to a lack of political will and courage, I think the real reason lies in the fact that the Government did not primarily possess the resources and, at a secondary level did not have a financing structure that would make aggressive road expansion a reality. Our country had built only 100,087 kms of highways till 2015. The

country's highways that represent its prominent arteries account for only 2% of its road network but carry 40% traffic.

## **Q: What are some of the large bottlenecks that the Government has addressed with the Hybrid Annuity model?**

**A:** The Hybrid Annuity model is a classic example of a perfect Public-Private Partnership.

**Land acquisition:** The Ordinance was passed to amend the Land Acquisition Act by which NHAI will not award any road building project unless it has acquired at least 80% of incumbent free physical possession of land for BOT projects and 90% of the land for EPC projects, virtually assuring pace in road construction and cash flows for the benefit of the wider eco-system. Besides, NHAI seeks to improve the execution of highway projects by delegating powers to its Regional Officers for the hiring of equipment and laborers to demolish structures falling within the project footprint, which will enable it to make encumbrance-free land available quicker to contractors. The Ministry of Road Transport and Highways plans to set up land acquisition cells across the country, which will work towards

The Hybrid Annuity model is a classic example of a perfect Public-Private Partnership.

resolving issues related to land acquisition and ensure speedy compensation disbursement by the State Governments.

**Reduced equity infusion from**

**Concessionaire:** The Government has recognized the need to engage with the private sector for the Hybrid Annuity model of road construction. Under this model, only 60% of the Bid Project Cost will be contributed by the Concessionaire and the balance 40% will be invested by the Government as construction support (grant) during the construction period in five equal instalments linked to project milestones to be achieved by the concessionaire.

**Expedite GAD approval for ROBs:**

The Authority, in partnership with the Railways, expedited the approval of General Arrangement Drawings for railway over bridges falling under PROW (Project Right Of Way).

**Early release of mobilization advance:**

To expedite construction, the Authority releases a mobilization advance of 5% on the Appointed Date and another 5% after 60 days post Appointed Date as against the Advance Bank Guarantee.

**Interest payment on completion cost:**

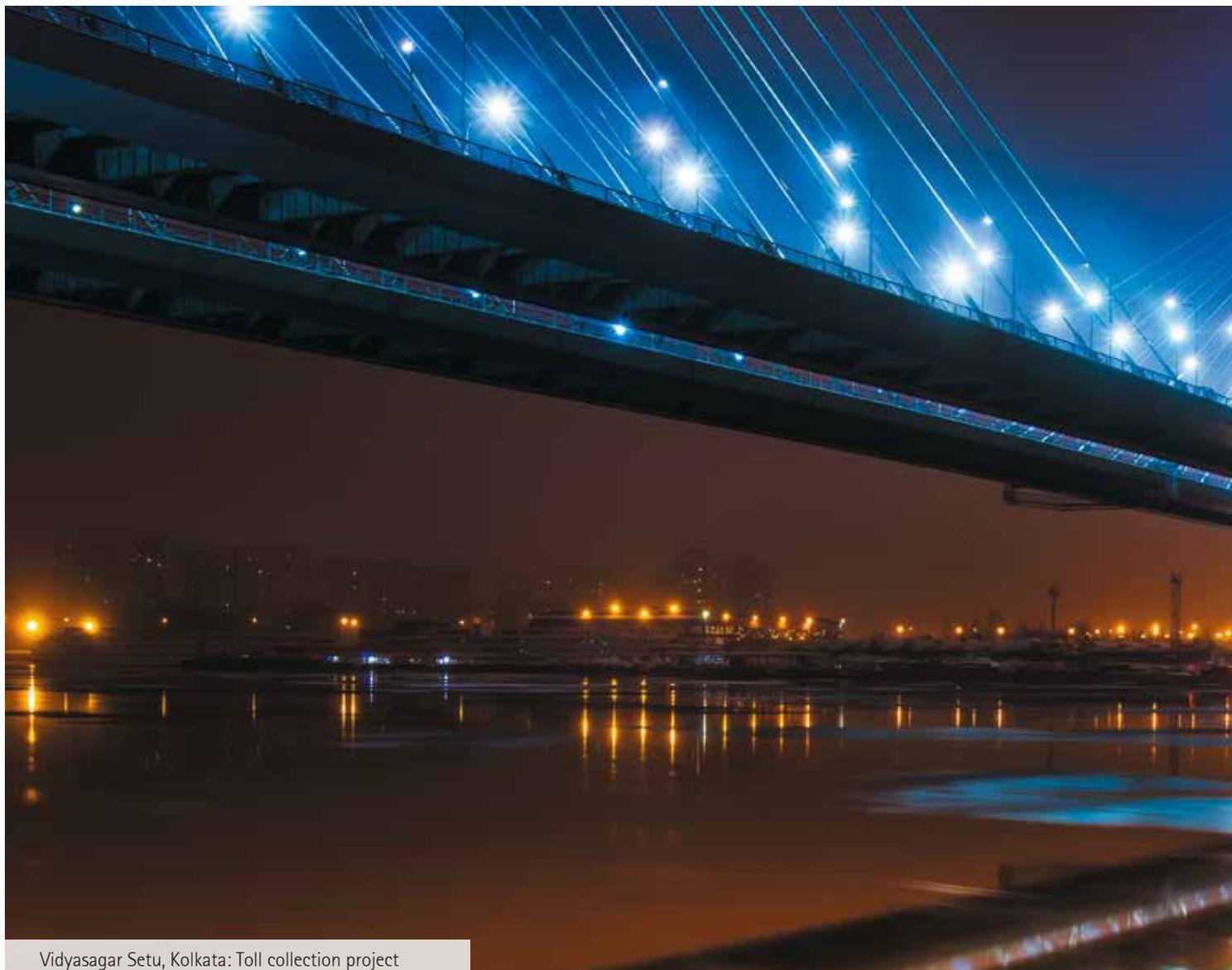
Interest shall be due and payable on the reducing balance of the completion cost at an

interest rate equal to the applicable Bank Rate plus 3% along with biannual annuity payment during the concession period.

**Traffic/tariff risk not borne by the**

**concessionaire:** HAM projects provide the concessionaire with the opportunity to bid separately for tolling contracts after the commencement of road operations. The segregation of risks related to road construction from risks related to traffic and toll collection represents a major step ahead.

**Environment and forest clearance:** Setting up of the Committee for easing environment clearance norms and the introduction of an online portal for environment and forest



Vidyasagar Setu, Kolkata: Toll collection project

clearance have also begun to accelerate project clearances.

**Exit policy framework:** The Cabinet Committee on Economic Affairs approved a comprehensive Exit Policy Framework that now permits the concessionaire to divest 100% equity two years after the commercial operations date, which will enhance private sector participation.

**Q: Where does the Hybrid Annuity Model come into the picture?**

**A:** The last five years saw a non-viability of projects in BOT- Toll | BOT- Annuity segments resulting in a slowdown in this space. The concept of the Hybrid Annuity

Model originated when the authorities, concessionaires and lenders realized that if the Government provided a minimum viability gap funding for a project and concessionaires mobilized the rest of the funding, more projects could be launched. It is this engagement between private parties and the Government that laid the foundation of HAM.

The HAM represents a blend of the Build Operate Transfer model and the conventional EPC model which is why it is referred to as a hybrid, drawing in positive attributes of both arrangements. Under the HAM arrangement, the Authority and the concessionaire share the total project cost in the ratio of 40: 60

respectively. The concessionaire invests up to 60% of the project cost and receives semi-annual annuity and maintains the road for 15 years after the completion of the construction. This single landmark arrangement is emerging as a model for private players, government, banks, investors and community to collaborate in creating enduring national assets. We believe that the HAM represents a watershed that will catalyze the country's road building sector and, in doing so, catalyze India's economic growth. It may sound as an exaggeration to those not completely aware of the fundamentals of India's road building sector but it would be reasonable to state that the HAM is the seed that can have positive implications for the global economy.

**Q: How will HAM strengthen the viability of road builders who have nursed stressed Balance Sheets for years?**

**A:** There are a number of positives for road building companies that promise to transform their Balance Sheets and return them to attractive profitability. At the outset, the developer's capital commitment will be reduced as the Government will fund 40% of the appraised cost and the developer will be required to fund only 60% of the project cost (corresponding to an equity commitment of 15-20%, which is reasonable in the circumstances).

We believe that most effective argument in favor of the Hybrid Annuity Model would be that it has addressed the biggest challenges of the alternate modes of engagement: a downside in BOT projects and no upside in annuity projects - an improved version of both. In this format, the Government has its skin in the game from day one, something that enhances banker comfort. Besides, the traffic risk is borne by the Government, which comes as a relief when the WPI has been declining for the last two years.

**Q: How will this model benefit the Company?**

**A:** In this model, since 40% of the amount is contributed by the Government and the Company has to contribute 60%, the equity commitment of the Company will be reduced to 15-20% from the earlier 25% in case of BOT - Toll and Annuity projects.



For years, one of the biggest risks was the traffic/toll collection risk associated with the road building projects that were meticulously structured often ran into headwinds because of unforeseen circumstances. These arose from absolutely diverse factors over which the developer had no control and influenced toll collection. The result was that there was always a sizeable difference between the developer-projected earnings of the project and what it eventually collected. This problem has been effectively addressed by HAM where the traffic/tariff risk is not borne by the concessionaire.

Following the date of commissioning if there are any right of way challenges, a provision exists to treat the unavailable portion of road as a change in scope instead of the developer bearing the financial burden of the time or cost overrun.

The Hybrid Annuity model of road construction has also led to a better quality of road construction from flexible pavement (bitumen road) to rigid pavement (cement concrete road) leading to higher longevity of the road asset and reduction in maintenance costs.

The Company will also be able to generate O&M revenues over a period of 15 years apart from bi-annual payments.

**Q: You have explained the benefits from the developer's perspective. How does it translate into benefits for the Government?**

A: Firstly, the biggest benefit to the Government is the upfront reduction in capital commitment to 40% in comparison to 100% in a pure EPC project. The result is that through this arrangement the Government

is able to spread its funds wider across a large number of projects, catalyzing the construction of more roads in the country.

Secondly, we believe that the Government has created an enabling environment; this environment comprises stringent clauses for damages and encashment of performance as well as additional performance security in the event of delays by developers, which is different when compared with the provisions of the conventional DBFOT model. We believe that this stringency will attract only professional developers with deep capabilities, catalyzing the growth of the sector.

**Q: What has been the road building industry's reception to HAM?**

A: NHAI and MoRTH began inviting bids for HAM projects from November 2015. Hybrid annuity model (HAM) highway projects have gathered pace, accounting for the majority of the 78 stretches awarded, entailing a total investment of ~ ₹1.25 lakh cr.

In FY16-17, HAM projects were awarded for a stretch of 2,434 kms while Build-Operate Transfer projects accounted for just 422 kms, validating the reception to the new road building model. In FY17-18, the Government intends to award 4,000 kms of road building contracts with ~ 3,000 kms proposed to be awarded through the HAM route.

What is appreciable is the Government's flexibility in response to the prevailing environment; to make the model more attractive, it recently permitted NHAI to disburse its contribution in the early construction stages rather than at the later stages, as had been originally proposed.

**Q: What has been MEP Infra's big achievement related to its presence in the HAM space in FY16-17?**

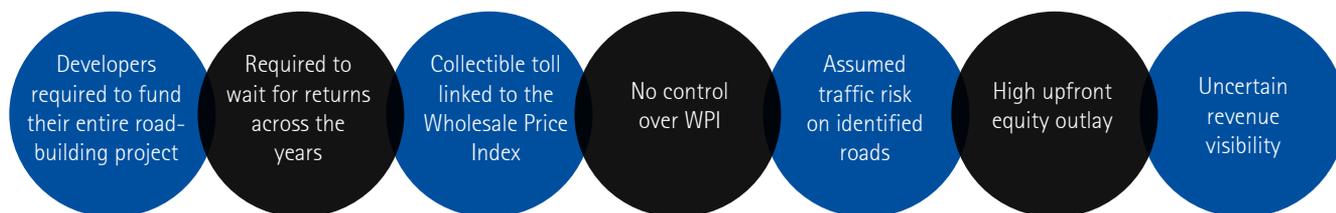
A: In 2016, we foresaw an exciting opportunity in the hybrid annuity space. Out of the 16 projects that were open for bidding, MEP bid for 8 projects and won 6 (4 in Maharashtra and 2 in Gujarat) amounting to ₹3836.99 cr covering 1059.97 lane kms. We are one of the few companies to have achieved financial closure for all our 6 projects and already received the Appointed Date for 4 of our projects (2 in Maharashtra and 2 in Gujarat).

All 6 projects will comprise a mix of in-house execution and sub-contracting. I am pleased to report that the Company achieved financial closure with an average debt cost of 11%, which we believe is reasonable and leaves adequate value on our table.

**Q: How will these realities strengthen the Company's financials?**

A: MEP is pleased to report that it has carved out a significant share in the most attractive segment of the country's road building opportunity in just a couple of years. Our optimism is derived from the fact that MEP possesses the credentials to carve away a large share of contracts based on its Balance Sheet strength, risk-and-reward appetite. We also believe that these fundamentals are likely to translate into attractive long-term revenue implications: the successful extension from toll collection to OMT and road construction will make it possible for MEP to capitalize comprehensively on an upturn within any segment of the extensive sectoral value chain.

**BOT disadvantages**



**Q. Please tell us about your joint venture with San Jose for these HAM projects.**

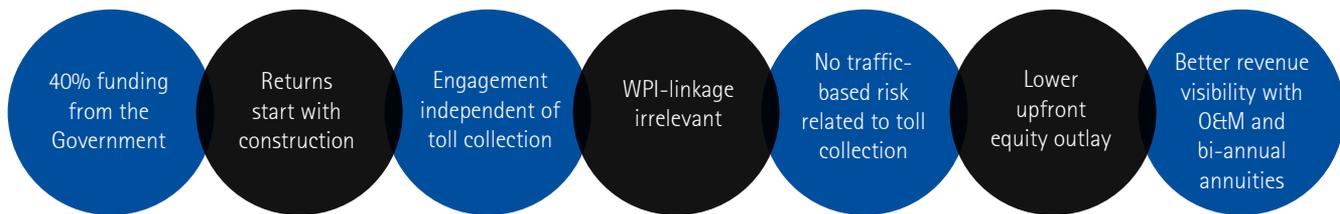
**A:** We have a joint venture with our Spanish partner, San Jose India Infrastructure & Construction Pvt. Ltd. for all our six Hybrid Annuity projects, where we hold 74% of the equity (except Talaja-Mahuva and Mahuva-Kagavadar projects where we hold 60%). Our partner comes with impeccable credentials: it is a focused construction company. We believe that the engagement with San Jose will enrich our process-driven culture that enhances on-ground competence and empowers us to deliver projects on schedule.

Group San Jose was founded in 1962 in Pontevedra as a company devoted to the construction and rehabilitation. It was renamed as Constructora San Jose in 1975. The Company gradually became a national reference following the incorporation of 'streamlined construction' which allowed building schools, colleges and facilities in record time and around the highest quality standards. The Group is present (through Carlos Casado S.A.) on the Buenos Aires Stock Exchange (1958) and New York Stock Exchange (2009). Sanjose is now a diversified global company in over 20 countries around Europe, America, Asia and Africa. The Company was responsible for the construction of the metro stations of the Metro Line 1 from Mumbai to Navi Mumbai in India.

**Risk allocation in different contract models**

Type of Risk	Type of Model	Financing Risk	Revenue Risk or Toll Collection Risk	O&M Risk
	BOT Model	By Private	By Private	By Private
	Annuity Model	By Private	By Government	By Private
	BOT-VGF Model	By Government & Private	By Private	By Private
	EPC Model	By Government	By Government	By Government
	HAM Model	By Government & Private	By Government	By Private

**HAM advantages**



# “InvITs will transform the picture of the more competent in India’s infrastructure sector”

## **Q: What is an InvIT?**

**A:** The InvIT is an abbreviated form of 'Infrastructure Investment Trust'. This is emerging as an increasingly important investment instrument because it has achieved something remarkable: the connection of a large funding appetite to grow a country's infrastructure sector on the one hand with the relatively small retail investable amounts on the other, minimizing the dependence on institutional funding sources.

For companies with a number of special purpose vehicles where individually it would be difficult to unlock value, the clubbing under an InvIT would provide investors a good source of toll and annuity-based revenues.

## **Q: Why are InvITs seen as a sectoral game changer?**

**A:** Before the introduction of InvITs in India, Indian infrastructure companies were compelled to seek alternative means of raising capital, including asset monetisation through listing via a business trust in Singapore. Some succeeded in this listing process, while others did not.

Singapore’s 12-year-old investment trust environment accounts for nearly 40 listings with a market capitalisation of ~US \$70 bn as per Bloomberg.

The low success rate of such listings by Indian companies in overseas jurisdiction was largely attributed to two reasons: high capital cost and regulatory expenditure. While the Singapore regulators put a higher risk on issuers from India resulting in stronger compliances, SEBI empowered the Indian capital market to overcome this disadvantage through the introduction of InvITs.

Domestic mutual funds are showing a growing interest in InvITs as their existing debt funds are not yielding anything outstanding, creating a robust supply source of funds to drive the country's infrastructure sector ahead.

## **Q: How are InvITs and similar instruments being received the world over?**

**A:** Singapore's 12-year-old investment trust environment accounts for nearly 40 listings with a market capitalisation of ~US \$70 bn as per Bloomberg (real estate investment trusts and business trusts). Malaysia's equally old investment trust regime has a market capitalisation of US\$42 bn with 77 listings. Hong Kong's \$30 bn investment trust market comprises 13 listings. The point to note is that India accounts for a considerably larger opportunity and is just about to enter this space in an attempt to catch up with the past.

This outstanding investment trust record is the result of InvITs being positioned as adequate yield-paying investments recommended for investors seeking long-term, stable cash flows with moderate capital appreciation. The yield offered by the InvIT is higher than that of corporate fixed deposits and/or the 10-year Government bonds. The interests are also lower than the prevailing interest rate that would



InvITs also represent a lower execution risk: at least 80% of the value of assets can be invested in completed revenue generating infrastructure assets while the rest can be invested in under-construction infrastructure projects and securities of infrastructure companies in India

have been charged to the Company – a win-win leading to a virtuous cycle of growth and profitability. This makes it ideal for pension funds seeking to match long-term liabilities, diversify portfolio holdings as well as moderate the risk of capital loss and in some cases, even hedge inflation.

InvITs also represent a lower execution risk: at least 80% of the value of assets can be invested in completed revenue-generating infrastructure assets while the rest can be invested in under-construction infrastructure projects and securities of infrastructure companies in India (without investing in

other InvITs). Income generation commences the day one invests in completed revenue generating assets. The result is that InvITs facilitate the financing/refinancing of infrastructure projects. They unlock the capital of the developers that has been tied into projects, moderate the loan exposure of domestic financial institutions; help attract foreign capital. What makes the instrument absolutely compelling is the mandatory distribution of at least 90% of net-distributable cash flows with nil dividend distribution tax, representing an attractive instrument for investors and sponsors.



Thane flyover : Part of Mumbai entry point project

The point of interest is that even as it would be convenient for us to see things from an Indian perspective, the reality is that the InvIT is one of the most attractive global investment opportunities: global investors can earn a 4-5% higher yield over the prevailing global interest rates, which in a rising Indian currency environment could translate into a double-advantage. It may not be out of place to indicate that when you start commissioning large infrastructure projects that attract a large quantum of global capital, it could start strengthening India's currency which in turn would make imports cheaper and enhance the country's competitiveness. When we talk of the power of India's roadways enhancing the country's

global competitiveness, the phenomenon is initiated even before the first road km has been constructed!

**Q: A crucial question. How does MEP intend to capitalise on the InvIT opportunity?**

**A:** MEP's current consolidated debt is ~ ₹3000 cr. This can decline by 50% if the Company decides to issue InvIT and mobilize debt at a single-digit cost of capital, which would not only enhance the interest rate arbitrage but also kick-start a cycle of virtuous growth and enhanced profitability.

MEP will benefit from the value unlocked of the equity held in the SPVs managed under it. The projects handled under individual SPVs

will be consolidated under a MEP Trust, 'MEP Infrastructure Development Trust'.

With the projects being transferred in the Trust, the debt of the Company could reduce significantly leading to a healthier gearing, which in turn, could strengthen the Company's credit rating.

Since Infrastructure Trusts will have to distribute 90% of the profits to shareholders, this could result in steady cash flows for MEP, the largest shareholder in the trust. The result is that MEP would get into an even stronger capex mode, enhancing organizational value.

#### The InvIT framework

- Sponsor to set up InvIT
- Cumulative projects size  $\geq$  ₹500 cr
- Issue size  $\geq$  ₹250 cr
- InvIT to invest in projects either directly or through SPVs
- Investment in units of InvITs is allowed by resident as well as non-resident investors
- Minimum distribution = 90% of distributable cash flow of InvITs/ SPVs
- Minimum lock-in period for sponsors – 3 years from the date of listing
- Related party transactions to be on arm's-length basis in accordance with relevant accounting standards in best interest of the unit holders.



Centralized control room at Mumbai which Monitors with 603 cameras at Multiple Locations, 24 X 7, 365 days with an experienced team.



# “MEP’s toll collection competence is derived from a rich fusion of experience and knowledge”

## **Q: What realities have transformed the dynamics of this business space?**

**A:** In the past, the toll collection business was largely something that had been bunched with road construction; when one needed to enter the business of toll collection, one needed a road construction position or vice versa. One of the principal reforms in this sector is the Government's decision to segregate the two: we believe that this segregation has made it possible for companies to focus and specialize. Besides, a longer duration of tolling contracts implies that focused toll players will now find it easier to ride through sectoral troughs and arrive at their desired returns. The result is that in addition to the room to specialize in, it is now possible for players to generate predictable long-term cash flows.

## **Q: What are the key benefits of the TOT model?**

**A:** Efficient operations and maintenance by the private sector. Capital inflows to the Government, which can be re-invested in new road projects. The result is that revenues collected upfront by the authorities can be employed for a better execution of other ongoing projects. Besides, this is a good opportunity for the private sector to invest in low risk assets.

## **Q: What is the competence that the Company brings to this space?**

**A:** MEP was an early entrant in the pure toll collection business and now possesses nearly a decade-and-a-half's experience in operating projects across India. The Company commands a leadership position in toll collection as well as the Operate, Maintain & Transfer (OMT) space based on the number of projects operated and lane kms maintained. The ability to mobilize funds is the basic principle of the Toll Operate Transfer

model. Our past experience in this space with projects like Mumbai Entry Point project, long-term tolling contracts with HRBC and RIDCOR and our presence across different geographies in India gives us a competitive edge in this space.

## **Q: What accounts for the Company's leadership in this space?**

**A:** The business of toll collection works on two important levers: operational efficiency and revenue optimization. We, at MEP, use world-class technologies to maximize both effectively. Our ability to bid appropriately for our projects depends significantly on the assessment of the future traffic patterns and the amount of toll to be collected. We use advanced infrared-based predictive analytical tools for traffic analysis, which, in turn, help in revenue projections for bidding. We are in the business of toll collection in cash. Hence it becomes imperative to have control systems in place to monitor leakages. We have more than 600 camera booths installed for all our projects across India to ensure smooth operations. We have set up a centralized control room at our Mumbai office that consolidates camera feeds from all our toll plazas to enable 24x7 video-based monitoring of the our operations.

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The Company enjoys one of the specialized pools of toll-centric professionals in India. Tolling is a specialized activity on account of the diverse variables that it needs to address: the quantum of vehicles that will pass through a point, the kind of vehicles (passenger or commercial), the throughput-creators at the terminal points and seasonal influences on the traffic throughput.

**Q: What makes MEP different in this space? Why is the role of technology increasing in toll collection?**

**A:** For nearly a decade, MEP focused singularly on toll collection. There is a growing role of technology to enhance user experience, create an analytics foundation to comprehend and forecast traffic to bid more competitively. The result is that the technology represents the foundation of the Company's competitive positioning.

In 2002, we commissioned an automatic vehicle tracking and counting mechanism to strengthen throughput forecasting and minimize leakages, one of the first such instances in India. Payments at the toll plazas,

both electronic as well as cash payment, are processed through a semi-automated or a fully-automated toll collection system depending on the complexity of the project and the infrastructure provided by the Authority. Both these systems collect and store traffic and payment data, reducing the need for manual operations. A fully automated system includes equipments like vehicle counting classifier, vehicle audit system, communication channels and traffic control equipment to name a few. 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.

The Company's strategic investments in cutting-edge technology has helped graduate India's toll collection experience to international standards. The Company was instrumental in implementing the cutting-edge RFID technology-based electronic tolling in 2012 in the form of ETC tags at the Rajiv Gandhi Sea Link and later at the five Mumbai entry points, the first of its kind in the commercial capital of India. This form of electronic toll collection was implemented with the objective to de-congest toll plazas and allow smoother vehicle movement. These RFID-based ETC tags are affixed on a vehicle's windshield and can hold prepaid balances starting from ₹100 to ₹1 lakh, empowering vehicles to move almost non-stop through toll plazas. In a step ahead, enabling customer's convenience, we recently partnered with e wallet players like PayTM, Citrus and Reliance Jio for online recharge of these tags. The ETC tag, which can be recharged anytime anywhere, are available for value-based, monthly pass and journey-based travel. These also help reduce cash management and hence improve transparency in transactions.

By using the hub-spoke concept, we augmented our toll plazas to increase lane capacities and solve traffic congestion problems at all the five Mumbai Entry Points. We had more than 1,30,000 ETC tag users as on May 31, 2017.

**Q: What realities enhance optimism in the Toll Operate Transfer space in India?**

**A:** The Government intends to mobilize around ₹80,000 cr through new toll collection

**Corporate optimism**

- Only listed proxy of toll collection sector in India
- Value-accretive complement of three businesses (Toll collection, OMT and HAM)
- Opportunity-responsive across short-term and long-term Tolling options
- Asset lightness in cash-intensive sector
- High bidding strike rate across toll and HAM segments
- Dedicated technology-centric subsidiary
- Rich first mover advantage will enable the Company to capitalize on future TOT projects.
- High promoters' stake; increase in the first half of 2016
- Working within government guidelines
- Adequate capital, knowledge and execution bandwidth
- Comfortable capacity to service debt

projects, which would be reinvested in new road building projects. The tolling market is expected to increase by 1.4 times from the current 12,150 km to around 16,900 km by FY18-19. The number of projects bid by NHAI on a tolling basis are expected to increase from the current 120 (number of projects that are currently tolled) to 145-150 by FY17-18. MEP is attractively placed to bid for these standalone toll collection contracts: a combination of bidding knowledge, strong Balance Sheet and free cash flows. Even as the Mumbai Entry Point opportunity proved to be an inflection point in our business, what we are now likely to see is an opportunity considerably larger.

MEP will be participating in the TOT model. The government has already held multiple interactions with global financial institutions who are looking to participate in this model as bidders by partnering with renowned tolling operators. We are in discussions with such institutions and will await further developments related to the proposed model.

**Sectoral challenges**

- Building a top-of-the-line technological platform
- Seamlessly implementing cutting-edge solutions
- Enhancing user confidence

**MEP passion**

- Converging people, technologies and processes
- Pioneering technology interventions in the toll segment
- Transforming the toll way landscape
- Evolution towards unmanned toll booths

# Projects Portfolio at a Glance

(till May 31st, 2017)

## HYBRID ANNUITY MODEL PROJECTS

6 Projects

₹3,836.99 cr

Road Construction Work

1,059.97

lane Kms

## TOLL COLLECTION PROJECTS

117 Projects

1,254 Lane

215 Toll Plazas

## OPERATE, MAINTAIN AND TRANSFER PROJECTS

5 Projects

2,530 Lane kms

15 Toll Plazas

## BUILD, OPERATE AND TRANSFER PROJECTS

1 Project

42 Lane kms

5 Toll Plazas

# MEP's current basket of projects

## HAM projects

The entire North-South and East-West bound traffic of India passes through the city of Nagpur. The proposed Outer Ring Road will be of paramount importance to decongest traffic in the city and save time and fuel of vehicle owners and provide better connectivity to the proposed Mumbai Nagpur Samruddhi Corridor.

### Nagpur City Ring Road Package I

**Project details:**

Four laning of the Outer Ring Road from Village Jamtha to Village Fetri for Nagpur City

**Authority:**

National Highways Authority of India (NHAI)

**State:**

Maharashtra

**Scope of work:**

This package envisages widening and construction of cement concrete pavement for 33.5 Kms. This package consists of one new railway over bridge and two new major bridges on river Vena and three flyovers. The alignment starts at Jamtha and ends at Fetri. It also includes modification of the existing flyovers.

Ultramodern underpasses will be constructed at strategic locations to serve better connectivity.

All bridges, junctions and various wayside amenities including truck lay bye, bus lay bye, medical aid post, traffic aid post and rest areas are aesthetically designed to better user convenience.

**Current status:**

Achieved Financial Closure and received Appointed Date from the Authority

**Bid project cost:**

₹531 Cr

**Construction period:**

2.5 years

**Concession period:**

15 years

### Nagpur City Ring Road Package II

**Project details:**

Four laning of the Outer Ring Road from Village Fetri to Village Dhargaon for Nagpur City

**Authority:**

National Highways Authority of India (NHAI)

**State:**

Maharashtra

**Scope of work:**

This package envisages widening and construction of cement concrete pavement for 28.03 Kms. This package consists of 4 lane cement concrete road having 4 new rail over bridges, 3 flyovers and other structures. The new alignment starts at Fetri Village and ends at Village Dhargaon.

**Current status:**

Achieved Financial Closure and received Appointed Date from the Authority

**Bid project cost:**

₹639 Cr

**Construction period:**

2.5 years

**Concession period:**

15 years



Dry Lean Concreting commencement in Nagpur Ring Road by using concrete batching plant having capacity of 120 cum per hour



Crusher plant

# We promise good roads, You promise safe driving



Mr Nitin Gadkari, Minister for Road Transport and Highways and Shipping and Mr Devendra Fadnavis, Chief Minister of Maharashtra at the Foundation Stone Laying Ceremony of MEP Nagpur Ring Road Project, with MEP's VC & MD, Mr Jayant D. Mhaiskar



Wirtgen Slipform Paver used for pavement quality concrete



Granular Sub base layer



Nagpur Ring Road Package I and Package II prototype model



Talaja-Mahuva project prototype model



Mahuva-Kagavadar project prototype model

MEP's current basket of projects

# HAM projects

These projects are a part of the Bhavnagar-Veraval stretch in the state of Gujarat.

## Talaja-Mahuva



**Project details:**

Four laning of Talaja Mahuva section of NH8E (km 53.58 - 100.10) & design chainage (km 54.99-100.45) under NHDP Phase IV.

**Authority:**

National Highways Authority of India (NHAI)

**State:**

Gujarat

**Scope of work:**

This package envisages construction of cement concrete pavement road with 2 major bridges of four lanes and 3 major bridges of two lanes and 8 minor bridges of four lanes and 10 minor bridges of two lanes. It also includes construction of 4 'state of the art' vehicular

under passes, 3 pedestrian under passes. The project also entails the construction of 1 Railway over Bridge.

All bridges, junctions and various wayside amenities including truck lay bye, bus lay bye, medical aid post, traffic aid post and rest areas are aesthetically designed to better user convenience.

**Current status:**

Achieved Financial Closure and received Appointed Date from the Authority

**Bid project cost:**

₹643.05 cr

**Construction period:**

2.5 years

**Concession period:**

15 years

## Mahuva-Kagavadar



**Project details:**

Four laning of Mahuva to Kagavadar of NH8E (km 100.10-139.92) under NHDP Phase IV.

**Authority:**

National Highways Authority of India (NHAI)

**State:**

Gujarat

**Scope of work:**

This package envisages construction of cement concrete pavement road with 4 major bridges of four lanes, 3 major bridges of two lanes and 20 minor bridges of four lanes and 20 minor bridges of two lanes. It also includes construction of 2 grade separators, 5 state of the art vehicular under passes,

2 pedestrian under passes. The project also encompasses the construction of 1 Railway over Bridge and 2 flyovers.

All bridges, junctions and various wayside amenities including truck lay bye, bus lay bye, medical aid post, traffic aid post and rest areas are aesthetically designed to better user convenience.

**Current status:**

Achieved financial closure and received Appointed Date from the Authority

**Bid project cost:**

₹604.68 Cr

**Construction period:**

2.5 years

**Concession period:**

15 years

Note: The above are illustrative images



Batching plant



Crusher plant



Weigh bridge



Work in progress on embankment top layer

MEP's current basket of projects

# HAM projects

These packages are a part of the Mumbai-Goa highway project.

## Arawali - Kante



**Project details:**

Four laning of NH66 (km 241.3 – 281.3) under NHDP Phase-IV

**Authority:**

Ministry of Road Transport & Highways (MoRTH)

**State:**

Maharashtra

**Scope of work:**

This package envisages construction of cement concrete pavement road with 1 major bridge of four lanes and 1 major bridge of two lanes and 4 minor bridges of four lanes and 4 minor bridges of two lanes. It also includes construction of 7 state-of-the-art vehicular under passes.

All bridges, junctions and various wayside amenities including truck lay bye, bus lay bye, medical aid post, traffic aid post and rest areas are aesthetically designed to better user convenience.

**Current status:**

Achieved Financial Closure

**Bid project cost:**

₹592.98 Cr

**Construction period:**

2 years

**Concession period:**

15 years

## Kante - Waked



**Project details:**

Four laning of NH66 (km 281.30 – 332.20) under NHDP Phase IV

**Authority:**

Ministry of Road Transport & Highways (MoRTH)

**State:** Maharashtra

**Scope of work:**

This package envisages construction of cement concrete pavement road with 1 major bridge of four lanes, 5 minor bridges of four lane and 4 minor bridges of two lanes. It also includes construction of 4 grade separators, 3 state of the art vehicular under passes and 1 foot-over bridge.

All bridges, junctions and various wayside amenities

including truck lay bye, bus lay bye, medical aid post, traffic aid post and rest areas are aesthetically designed to better user convenience.

**Current status:**

Achieved Financial Closure

**Bid project cost:**

₹826.28 Cr

**Construction period:**

2 years

**Concession period:**

15 years

Note: The above are illustrative images

MEP's current basket of projects

**BOT projects**

Baramati project



**Project description:**

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

**Work tenure:**

25 October 2010 to 24 February 2030

**No. of toll plazas:**

Five

**SPV:**

Baramati Tollways Private Limited

MEP's current basket of projects

**OMT projects**

Five Mumbai Entry Points Project



**Project description**

Maintenance and collection of toll at the five Mumbai entry points along with 27 flyovers and certain allied structures on.

- The Sion-Panvel highway corridor
- The Western Express highway corridor
- The Eastern Express highway corridor
- The Lal Bahadur Shastri Marg corridor
- The Airoli bridge corridor

The entry points into Mumbai comprise toll plazas at Airoli, Vashi, Dahisar, Mulund on Lal Bahadur Shastri Marg and Mulund on the Eastern

Express Highway.

**Authority:**  
MSRDC (Maharashtra State Road Development Corporation)

**Company's stake:**  
99.99%

**SPV:**  
MIPL (MEP Infrastructure Private Limited)

**Concession commencement:**  
20 November 2010

**Tenure:**  
16 years

**Toll plazas:**  
Five

**Amount paid to the Authority:**  
Upfront ₹2,100 cr payment

MEP's current basket of projects

OMT projects

Rajiv Gandhi Sea Link



**Project description:**

Maintenance and Collection of toll at the toll plaza at Bandra for the Rajiv Gandhi Sea Link. The Rajiv Gandhi Sea Link is a 5 km long, eight-laned carriageway in Mumbai, Maharashtra.

**Authority:**

MSRDC (Maharashtra State Road Development Corporation)

**Company's stake:**

100%

**SPV:**

MEP RGSL Toll Bridge Private Limited

**Concession commencement:**

6 February 2014

**Tenure:**

156 weeks (further on extension)

**No. of toll plazas:**

One

**Amount paid to the Authority:**

₹69 cr in the first year of the concession period along with an additional one-time payment of ₹50 lakhs. The annual payment is subject to 10% escalation for second year and 20% for the third year, to be paid in 12 equal monthly installments

Hyderabad-Bengaluru



**Project description**

Maintenance of and collection of toll at, the Hyderabad-Bangalore section of the National Highway No. 7 Collection of toll at three toll plazas at Amakathadu, Marur and Kasepalli on the Hyderabad-Bangalore section. The Hyderabad-Bangalore section of the National Highway No. 7 is a 251.16 km long four-lane carriageway in Andhra Pradesh.

**Authority:**

NHAI

**Company's stake:**

99.99%

**SPV:**

MEP Hyderabad Bangalore Toll Road Private Limited

**Concession commencement:**

16 May 2013

**Tenure:**

9 years

**Toll plazas:** Three

**Amount paid to the authority:**

₹105.9 cr for the first year of the concession period with a 10% escalation each year to be paid in 12 equal monthly installments

MEP's current basket of projects

OMT projects

Madurai-Kanyakumari



**Project description:**

Maintenance of and collection of toll at, the Madurai-Tirunelveli-Panagudi-Kanyakumari section of the National Highway No. 7. Collection of toll at four toll plazas at Kappallur, Salaipudur, Nanguneri and Eturvattam on the Madurai – Kanyakumari section. The Madurai – Kanyakumari section of the National Highway No. 7 is a 243.17 km long, four-lane carriageway in Tamil Nadu.

**Authority:**

NHAI

**Company's stake:**

100%

**SPV:**

Raima Toll Road Private Limited

**Concession commencement:**

22 September 2013

**Tenure:**

Nine years (handed over on 25.08.16)

**No. of toll plazas:**

Four

**Amount paid to the authority:**

₹117 cr for the first year of the concession period with 10% escalation every year to be paid in 12 equal monthly installments.

Chennai Bypass



**Project description:**

Maintenance of and collection of toll for the Chennai Bypass section. Collection of toll at two toll plazas near Vanagaram and Surapattu on the Chennai Bypass section. The Chennai Bypass section is a 32.60 km long, six-lane carriageway in Tamil Nadu.

**Authority:**

NHAI

**Company's stake:**

100%

**SPV:**

MEP Chennai Bypass Toll Road Private Limited

**Concession commencement:**

14 May 2013

**Tenure:**

9 years (handed over on 08.04.16)

**Toll plazas:**

Two

**Amount paid to the authority:**

₹153 cr for the first year of the concession period with 10% escalation every year to be paid in 12 equal monthly installments.

MEP's current basket of projects

## Toll collection portfolio

### IRDP Solapur



**Project description:**

Collection of Toll at border points from specified commercial vehicles entering Solapur.

**Authority:**

MSRDC

**Company's stake:**

100%

**SPV:**

MEP IRDP Solapur Toll Road Private Limited

**Concession commencement:**

2 January 2013

**Tenure:**

156 weeks (handed over on 31.08.16)

**No. of toll plazas:**

Four

**Amount paid to the Authority:**

₹20.8 cr to be paid in three equal annual installments

### Vidyasagar Setu



**Project description:**

Collection of Toll at toll plaza located at the Vidyasagar Setu.

**Authority:**

HRBC

**Company's stake:**

100%

**SPV:**

Rideema Toll Bridge Private Limited

**Concession commencement:**

1 September 2013

**Tenure:**

Five Years

**No. of toll plazas:**

One

**Amount paid to the Authority:**

₹261 cr in five equal annual installments; upfront payment of ₹52.2 cr and remaining amount in four equal installments in advance.

MEP's current basket of projects

Toll collection portfolio

Kini Tasawade



**Project description:**

Collection of Toll at toll plaza near Kini (km 634.500) and Tasawade (km 694.000) on national highway No. 4.

**Authority:**

MSRDC

**SPV:**

Raima Toll & Infrastructure Private Limited

**Concession commencement:**

29 May 2014

**Tenure:**

104 weeks (handed over on 22.08.16)

**No. of toll plazas:**

Two

**Amount paid to the Authority:**

₹227.07 cr for 104 weeks

Rajiv Gandhi Salai



**Project description:**

One-time IT corridor of Chennai; MEPIDL is the project's concession operator and paid by the authorities to provide manpower services:

**Authority:**

ITEL

**Concession commencement:**

8 March 2014

**Tenure:**

Three years (handed over on 31.03.17)

**No. of toll plazas:**

Five

**Amount paid to the Authority:**

₹1.46 cr for the first year with escalation of 5% per annum during each subsequent year for a period of two years

Bhiwandi Kalyan Shilphata project



**Project description:**

Connecting the Mumbai Pune Highway (NH-4) at Shilphata and Mumbai-Nashik Highway (NH-3) at Bhiwandi; MEPIDL is the project's concession operator.

**Authority:**

MSRDC

**Concession commencement:**

01 January 2017

**Tenure:**

156 weeks (retained)

**No. of toll plazas:**

Two

**Amount paid to the authority:**

₹63.36 cr to be paid in upfront monthly installments

**SPV:**

MEP Infraprojects Private Limited

# Board of Directors



## **Dattatray P. Mhaiskar**

*Chairman, Non Independent and Non-Executive Director*

Founder Director and Promoter of the Company, he holds a Diploma in Civil Engineering from Sir Cursow Wadia Institute of Electrical Technology, Pune and possesses a 50+ years of experience in Construction and Infrastructure industry.

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## **Jayant D. Mhaiskar**

*Vice Chairman & Managing Director*

Founder Director and Promoter of the Company with 20 years of experience in the Tolling and Infrastructure industry.

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## **Anuya J. Mhaiskar**

*Non Independent and Non-Executive Director*

Bachelor's degree in Arts with major in Philosophy from Ram Narain Ruia College, University of Mumbai. She brings 18 years of experience in the field of Administration

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## **Murzash Manekshana**

*Dy. Managing Director*

A Qualified Chartered Accountant with a Bachelor's degree in Commerce from University of Mumbai with 24 years of work experience in areas of finance & risk management, fund raising, investment banking, strategic planning and business development

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**Deepak Chitnis**

*Independent Director*

A holder of Bachelor's degree in Science and Master's degree in Law from Mumbai University, he possesses 33 years of experience in the field of Law

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**Khimji Pandav**

*Independent Director*

A Fellow Chartered Accountant with a Bachelor's degree in Commerce from University of Mumbai. He has held key posts in the field of Finance and Accounts and also was a Financial Advisor to CIDCO and MSRDC

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**Vijay Agarwal**

*Independent Director*

A Fellow Chartered Accountant with a Bachelor's degree in Commerce from Jodhpur University, 34 years of experience in cross-border acquisitions and transactions, advising in foreign service collaboration arrangements, providing statutory, management and tax audit services and providing tax advisory services

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**Mira Mehrishi**

*Independent Director*

She is a retired Indian Administrative Service (IAS) Officer with a Master's degree in Administration and is a full time member of Chief Minister's Advisory Council of Rajasthan and Vice Chairman, ADMA.

Experience of working in various capacities in the state and central government and her last posting was as a Special Secretary, Ministry of Climate Change Environment and Forests, Government of India.

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# Key Management Team



**Pandurang Dandawate,**  
*Chief Executive Officer - Roads & Infrastructure*

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BE (Civil) and passed the MPSC exam of Government Of Maharashtra. Professional experience of 32 years in the field of roads and bridges construction, toll operation and BOT projects.

**M. Sankaranarayanan,**  
*Chief Financial Officer*

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Chartered Accountant, Company Secretary and a fellow member of the ICAI and holds Diploma in Information Systems Audit (DISA) from ICAI. Over 18 years of experience in the field of finance, accounting, audit and taxation.

**Amit Mokashi,**  
*Deputy CEO - Roads & Infrastructure*

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BE (Construction) from Mumbai University; Masters in Finance Management (MFM) from Mumbai University and Post Graduate Diploma in Construction Management from National Institute of Construction Management & Research (NICMARC). Over 18 years of experience in Construction Industry.

**Uttam Pawar,**  
*Chief Tolling Officer*

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Bachelor's degree in Commerce from Shivaji University, Kolhapur with over 25 years of experience in tolling business.



Photo caption : (L to R) : Mr. Harshad Pusalkar, Mr. Uttam Pawar, Mr. Samir Apte, Mr. M. Sankaranarayanan, Mr. Pandurang Dandawate, Mr. Amit Mokashi, Mrs. Pradnya Amancha, Mr. Dinesh Padalkar.

**Sameer Apte,**  
Chief Operating Officer  
(Corporate)

Bachelor's degree in Commerce from University of Mumbai with 16 years of experience in tolling operations.

**Dinesh Padalkar,**  
Assistant Vice President, Toll  
Audit

Bachelor's degree in Commerce from University of Mumbai with over 16 years of experience in Audit.

**Harshad Pusalkar,**  
Company Secretary

Qualified Company Secretary and an Associate Member of the Institute of Company Secretaries of India. He also holds a Bachelor's degree in Commerce and LL.B. degree from the University of Mumbai and a Master's degree in Business Law from the National Law School of India University, Bangalore. Over 9 years of experience in this field.

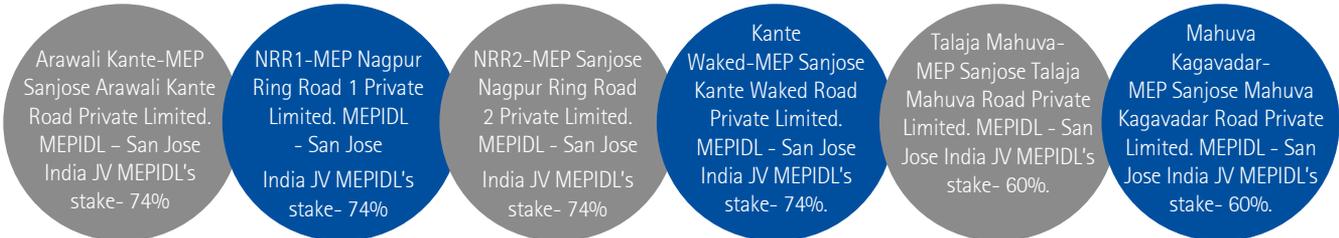
**Pradnya Amancha,**  
Vice President

Post Graduate Diplomate in Human Resources with over 16 years of experience in this field.

# Our corporate structure

## MEP Infrastructure Developers Limited

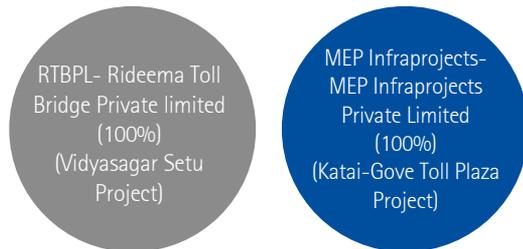
### HAM PROJECTS



### OMT PROJECTS



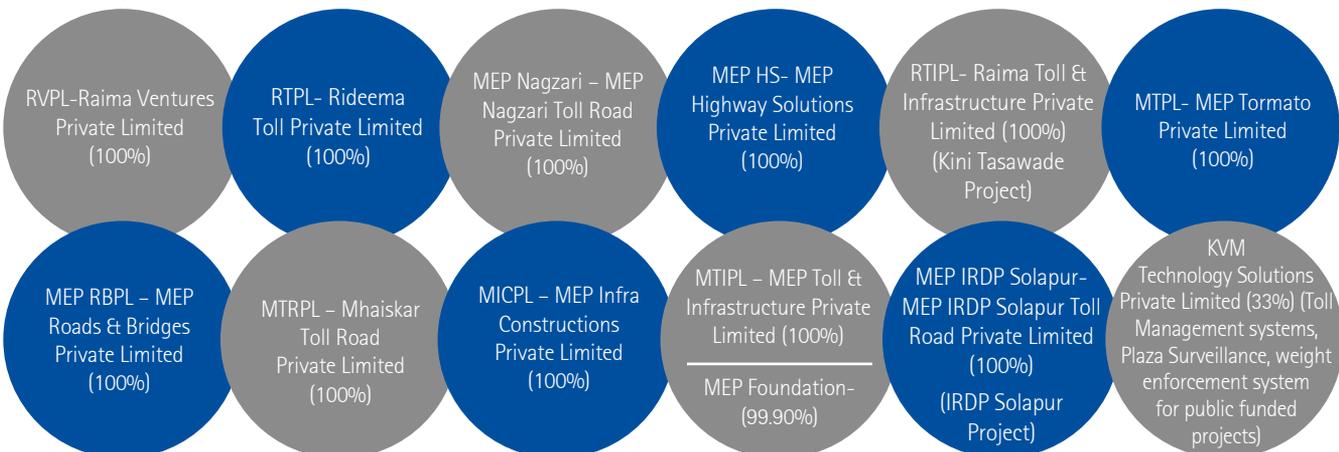
### LONG TERM TOLL COLLECTION PROJECTS



### BOT PROJECTS



### OTHER SUBSIDIARIES/ASSOCIATES



# Management Discussion and Analysis



## INDIAN ECONOMIC OVERVIEW

India's GDP grew at a rate of 7.1% in FY16-17 vis-à-vis 7.6% in FY15-16. The manufacturing and construction sectors were hit by the cash crunch, thereby pulling down the real GDP growth in Q4FY17 to 6.1% from 7%. The GVA growth in Q4FY17 was pegged at 5.6% while GVA expansion slipped sharply to 6.6% in FY16-17 from 7.9% in FY15-16.

The lower-than-expected real GDP growth in Q4FY17 was also due to the firming of commodity prices, which hardened the WPI. Nominal GDP expansion touched 11% compared to 9.9% in FY15-16, owing to higher inflation, especially at the wholesale level. Despite several such macroeconomic challenges, the agriculture and mining sectors managed to hold sway on the back of robust consumption levels.

• **Agriculture:** Thanks to a favourable monsoon, the agricultural sector expanded by 4.9% during FY16-17, compared to a dismal 0.7% in the previous year. The

agricultural sector grew 4.15% during FY16-17 (significantly higher than 1.2% in FY15-16), contributing ~17% of India's GVA.

• **Manufacturing:** The country's manufacturing sector, one of the high-growth sectors of the economy, contributes ~16% of India's GDP. India's manufacturing sector retains the potential to touch US\$1 trillion by 2025 propelled by governmental initiatives like Make in India, FDI regulation changes and amendment of bankruptcy laws, among others. India's IIP rose from 0.7% to 5% during FY16-17 (base year modified from FY04-05 to FY11-12). According to CARE ratings, the industrial output is expected to grow at a rate of ~6% in FY17-18. The country's forex reserves rose by US\$1.1 bn to reach ~US\$368 bn (as on March 24, 2017) while a widening trade shortage caused India's CAD to jump to a four-quarter high – 1.4% of the GDP in Q4 from 0.6% of the GDP during Q3.

• **Services:** The services sector grew at a rate of 8.8% during FY16-17 while the performance of trade, hotels and restaurants, and transport, storage and communication sectors are expected to improve during FY17-18. *[Source: IBEF, Economic Survey, World Bank, Asian Development Bank, Reserve Bank of India, CSO]*

### Outlook

The growth estimate for FY17-18 is based on normal precipitation levels during the year as well as an expected increase in consumption, private sector participation and governmental spending. The nationwide rollout of the Goods and Services Tax in the second quarter of FY17-18 is also expected to result in bolstering India's GDP growth by 0.25-0.5%. Consequently, the Indian economy is expected to grow at a rate of 7.6-7.8% during FY17-18. *[Source: Financial Express, Business Line]*

## THE INFRASTRUCTURE SECTOR IN INDIA

India is the fastest-growing large economy in the world, and the government has set itself a target of investing US\$377 bn in infrastructure over the next three years, making India an attractive destination for long-term global infrastructure investors, who recognise it as a country with a healthy prospects and several good potential partners.

India climbed 12 spots to 130th in 2016 from 142nd place in 2015 in the 2016 Study of Ease of Doing Business by World Bank. Even better, eight of the most economically progressive Indian states are, on an individual basis, comparable with the world's top-50 countries. The Ministry of Road Transport and Highways, and Shipping announced a US\$ 376.53 bn investment in the infrastructure sector over three years, which will include US\$ 120.49 bn for developing 27 industrial clusters and an additional US\$ 75.30 bn for road, railway and port connectivity projects. [Source: WEF, IBEF]

### Roads and roadways

The Indian Government plans to develop a total of 66,117 kms of roads under different programmes such as the National Highways Development Project, Special Accelerated Road Development Programme in North East and Left Wing Extremism. The Indian Government has identified the development of 2,000 kms of coastal roads to improve connectivity between ports and remote villages. At 0.66 kms of roads per square kilometre of land, the quantitative density of India's road network is similar to that of the United States (0.65) and far higher than that of China (0.16) or Brazil (0.20).

Under the Pradhan Mantri Gram Sadak Yojana, 133 kms of roads were constructed per day in FY16-17 compared to an average of 73 kms per day between 2011 and 2014. About 5,000 kms of highways were

constructed between April and December 2016, at 18.5 kms a day on average. The value of roads and bridges infrastructure in India is projected to grow at a CAGR of 17.4% to touch US\$ 19.2 bn by 2017. As of January 2017, India had completed and placed in use over 25,600 kms of recently-built four or six-lane highways connecting many of its major manufacturing centres, commercial and cultural centres. [Source: WEF, IBEF]

### Government initiatives

- The Cabinet Committee on Economic Affairs permitted 100% equity divestment by private developers after two years of construction completion for all BOT projects, irrespective of the year of awarding of the project.
- The Central Government approved the construction of ~1,000 kms of expressways at a cost of ₹16.68 cr (US\$ 2.49 mn) via the DBFOT mode. The approved corridors are Delhi-Chandigarh (249 kms), Bengaluru-Chennai (334 kms), Delhi-Jaipur (261 kms) and Vadodara-Mumbai (400 kms). The Central Government will also take up the development of 135 kilometre-long Eastern Peripheral Expressway at an estimated cost of ₹5,763 cr.
- The National Highways Authority of India plans to invest ~US\$ 250 bn in 240 road projects spanning 50,000 kms over the next five to six years.
- The Ministry of Road Transport and Highways undertook the development of about 7,000 kms of National Highways under the Bharatmala Pariyojana at a cost of ~₹80,000 cr in consultation with State Governments. The National Highways Authority of India invited bids for preparing detailed project reports for road development along borders and coastlines under the Bharat Mala project.

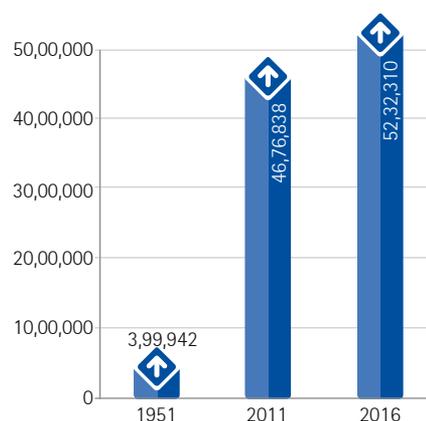
### Budgetary provisions

The Central Government allocated a sum of ₹3,96,000 cr for catalysing infrastructural development in India. As part of the new integrated infrastructure planning paradigm comprising roads, railways, waterways and civil aviation, the Central Government unveiled the largest-ever rail budget of ₹1.31 trillion, an 8.26% increase over the ₹1.21 trillion allocated to the national carrier in FY16-17. The Central Government hopes that the magnitude of investment will spur economic activities and create more jobs. [Source: Union Budget 2017-18]

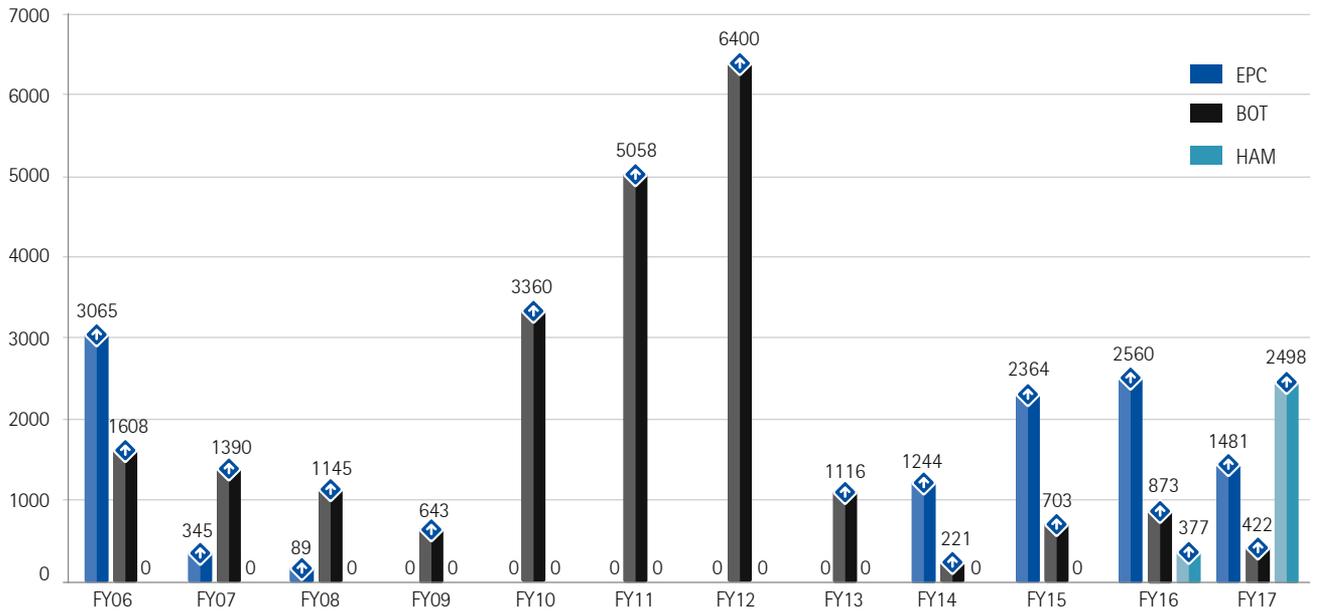
### Outlook

New programmes such as Chardham Pariyojana and the construction of the Mumbai-Nagpur expressway, among others, will provide an impetus for highway development. Highway construction reached an all-time high of 6,029 kms during FY15-16, and the increased pace is expected to continue in the coming years. The Central Government set a target of constructing 15,000 kms of highways in the next financial year, 50% more than in FY16-17. [Source: Economic Times]

Growth of total road network (kms)



## Road development mix (km)



## THE HYBRID ANNUITY MODEL

Road projects in India have always been awarded across the three formats—BOT annuity, BOT toll and EPC.

**BOT annuity:** A developer builds a highway, operates it for a specified duration and transfers it to the government, which pays the developer annuity over the concession period. Under BOT toll, a concessionaire generates revenue from the toll levied on vehicles using a road.

Some 45 Hybrid Annuity projects worth ₹426.11 bn have been awarded till date entailing a length of ~ 10,329.11 lane kms.

## EPC: IN EPC, THE DEVELOPER BUILDS WITH GOVERNMENT MONEY.

**HAM:** The Hybrid Annuity Model is a mix of BOT, annuity and EPC models. Under HAM, the government commits up to 40% of the project cost and then hands the project over to the developer. The developer needs to fund the balance 60% with debt and equity, paid an annuity income in the form of installments. This lowers the equity commitment of the corporate involved to ~15-20% from ~25%. This hastens project construction, moderates costs and enhances profitability, thereby resulting in a win-win situation for all parties involved.

HAM highway projects account for a majority of the 78 stretches awarded entailing an investment of ~₹1.25 lakh cr. In FY16-17, HAM projects were awarded for the construction of 2,434 kms of highways while pure PPP (build-operate-transfer) projects accounted for just 422 kms. Some 45 Hybrid Annuity projects worth ₹426.11 bn have been awarded till date entailing a length of ~ 10,329.11 lane kms. In FY17-18, the Indian Government intends to award

4,000 kms of road-building contracts with ~3,000 kms via the HAM route requiring an investment of ~₹600 bn. (Source: *livemint.com, indiainfoline.com*)

## Allocation to the highway sector by NHAI



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## THE OPERATE, MAINTAIN AND TRANSFER MODEL

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The 'operate, maintain and transfer' concept was introduced by the National Highways Authority of India in 2009 to assure road users of adequate quality and safety. An OMT project entails a contract for the right to collect toll besides a contract for operation and maintenance of the stretch. Since 2009, the National Highways Authority of India has awarded OMT contracts covering more than 3,000 kms. At the state-level, Madhya Pradesh, Karnataka, Maharashtra and Bihar have outsourced OMT projects to private players.

This model provides consistent revenues

(in terms of concession fee) to the National Highways Authority of India on the one hand and just-in-time maintenance of the project on the other. It includes performance-based maintenance, periodic maintenance, routine maintenance (minor repairs, cleaning of carriageways, shoulders, cross drainage structures, among others), road property management and incident management. In this type of arrangement, toll collection rights are given to the private operator. However, shorter concession periods, limited presence of specialised OMT players, high level of exemptions, shortage of trained

manpower have emerged as key bottlenecks.

The industry expects the size of the OMT market (in terms of length) to almost double by FY17-18. The number of projects bid out by the National Highways Authority of India and the state highway authorities on an OMT basis is expected to increase from the 14 and 34 projects in FY13-14 to ~30 and ~55 projects, respectively in FY17-18. This is expected to generate significant business opportunities for OMT players, equipment and technology providers, and construction material suppliers. [Source: Wallfort, <http://www.indiainfrastructure.com>, CRISIL]

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## TOLL COLLECTION

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There are currently ~104 existing toll roads across India funded by the Central Government and ~75 operational projects that have been identified in the space with projected value of ₹80,000 cr. The key benefits of the TOT model include efficient undertaking of O&M exercises, reduction in toll pilferage, greater inflow of capital to the exchequer and increased opportunities for private sector players

to invest in low-risk assets. The model is shifting towards automation to resolve execution-related hassles. Dedicated short-range communications and radio frequency identification are gaining prominence in the market. An RFID system helps eliminate the need for manual toll collection. RFID cards stores the information and allows drivers to pass through booths without stopping.

The total stretch of highways under the toll

collection model for the National Highways Authority of India and key states is expected to increase 1.5x from ~15,190 kms in FY14-15 to around 22,200 kms by FY18-19 and the total number of toll collection projects are projected to increase from ~250 in FY14-15 to ~365 in FY18-19. Toll collection on state highway stretches are also expected to increase 1.5x over the next four years. (Source: Crisil)

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## CHALLENGES

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- **Transition:** Most BOT project operators are companies that have evolved from EPC contractors into BOT concessionaires by leveraging their experience in constructing mega road projects. However, many of these companies had very basic knowledge and lacked the expertise when they entered the tolling business. The reality is that tolling is a technically complex activity and many varied factors contribute towards its success.
- **Pilferage:** According to a rough assessment, toll pilferage on ill managed plazas can be as high as 25%. Even a momentary failure of IT systems can result in toll pilferage.
- **Detours:** With wide-spread development of roads, taking a toll detour has become

a standard practice by many road users. In a large number of concession agreements, there are no safeguards like check plazas. Therefore, to avoid loss of toll collections, choosing the correct location for the plaza becomes critical.

- **Interference:** The force majeure clause in contracts currently does not provide adequate safeguards due to the lengthy time stipulations. Toll plazas are usually the target of political agitation in the near vicinity culminating in impacting toll operations. Hence, explicit clauses for addressing the issue of disruption of tolling activities need to be included in agreements thereby safeguarding the interest of the concessionaires.

### Outlook

The National Highways Authority of India initiated the process of awarding projects for tolling towards the end of FY09-10 to the private toll operators and as of FY13-14, around 6,800 kms of national highways were constructed under EPC and BOT annuity are under tolling. CRISIL expects this to increase 1.3x to 9,000 kms by FY17-18, driven primarily by a number of projects on an EPC basis. The total number of toll collection projects is expected to increase to 145-150 by FY17-18. In value terms, the tolling market is expected to increase to ₹62 bn by FY17-18 from ₹37 bn in FY13-14. [Source: Indian Express, Times of India, Bloomberg, Crisil]

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## GROWTH DRIVERS

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- **PPP impact:** During the last 25 years, 1,000+ projects worth at least USD1 trillion have been completed under the PPP mode. PPPs maximise the economic value of a project by judiciously assessing risks and utilising cutting-edge technology. The increasing impact of PPPs can be estimated from the fact that during the 11th Five Year Plan period, 292 projects worth ₹2.4 lakh cr were implemented and 404 projects worth ₹3.8 lakh cr are expected to be awarded in mid-term. [Source: KPMG]
- **Investment thrust:** The Central Government set a target of US\$ 376.53 bn in investments towards the infrastructure sector over a period of three years, which will include US\$ 120.49 bn for developing 27 industrial clusters and an additional US\$ 75.30 bn for road, railway and port connectivity projects. [Source: IBEF]

- **Growing urbanisation:** ~140 mn people will move to cities by 2020 and a whopping 700 mn by 2050. Besides, the number of cities with population above one million will nearly double with increase in the number of mega-cities (5 mn+ people) to 10 by 2021 and 36 by 2051. (Source: *livemint.com, CII*)
- **Increased road traffic volumes:** The overall annual freight traffic in the country is estimated to reach ~13,000 bn tonne-kms by 2030 from ~2,000 bn tonne-kms in FY11-12. Overall annual passenger traffic is estimated to reach ~168,000 bn passenger-kms by 2030 from about ~10,000 bn passenger-kms in FY11-12.
- **Greater private sector participation:** The total investment during the Twelfth Five Year Plan period is estimated to be ₹55.7 lakh cr. The share of private investment in infrastructure increased from 22% in

the Tenth plan to 36.61% in the Eleventh Plan. Private players are investing heavily on infrastructural projects which reflect a positive outlook ahead for the sector. [Source: ASSOCHAM]

- **Smart Cities:** The mission started with a target of creating 100 'Smart Cities' by 2022 at an initial investment of ₹50,000 cr. The plan has already impacted the lives of 7 cr people in urban locations across India. Proposals have been made to incorporate slum rehabilitation, sewage treatment plants and plastic bottle recycling to new-age ICT solutions such e-pathshalas, intelligent transit management system, intelligent street poles and multipurpose smart cards across all modes of public transport. [Source: <http://smartcities.gov.in>]

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## GOVERNMENT INITIATIVES

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- The National Highways Authority of India was authorised to generate internal and extra budgetary resources worth US\$ 8.85 bn during FY16-17.
- A sum of US\$ 22.6 bn in budgetary support has been channelised towards road development between 2012 and 2017.
- The Ministry of Road Transport & Highways has so far provided in-principle approval to conversion of ~38,750 kms of state roads into national highways (subject to the outcome of their detailed project reports).

- ~14,000 kms of additional state road stretches are proposed to be upgraded under the Bharatmala Pariyojana scheme.
- The Ministry has now been empowered to decide on the mode of delivery of projects – whether EPC or PPP.
- An infrastructure group has been created under the chairmanship of the Hon'ble Minister (Road, Transport & Highways) to resolve clearance issues related to environment, railways and defence.
- Private developers can now exit all

operational BOT projects within two years from the start of operations, irrespective of the date of awarding of the project.

- The prospects of revival of languishing BOT projects have been brightened via an one-time fund infusion by the National Highways Authority of India, subject to due diligence.
- Certain changes in the model concession agreement have been approved by an empowered Committee headed by the Cabinet Secretary based on stakeholder feedback and this is expected to streamline the highway sector

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## BUDGETARY PROVISIONS

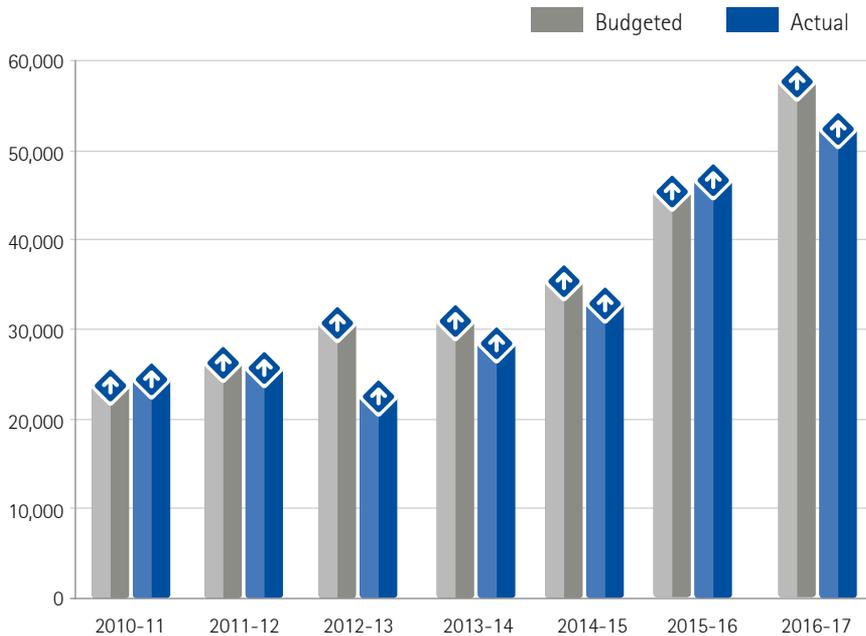
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The total budgetary allocation towards the Ministry of Road Transport and Highways for FY17-18 was estimated at ₹64,900 cr. This was 24% higher than the revised estimates for FY16-17. In FY17-18, of the total expenditure, the highest allocation was made towards roads and bridges (63%). 2,000 kms of coastal connectivity roads have been identified for construction and development. This will facilitate better connectivity with ports and remote villages. A specific programme for

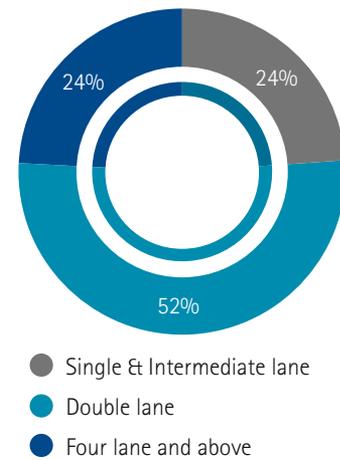
development of multi-modal logistics parks, together with multi modal transport facilities, will be prepared and implemented. Transfers to the Central Road Fund form the biggest component of the expenditure by the Ministry. A portion of the cess collected on motor spirit and high speed diesel is earmarked for the development of national and state highways, and the amount is transferred to the non-lapsable Central Road

Fund. This amount is eventually released to National Highways Authority of India, and to the State Governments for development of road infrastructure in the country. For FY17-18, the transfer to Central Road Fund is estimated at ₹46,907 cr. This is a 23% increase from the revised estimates of FY16-17 (₹38,209 cr). Most of these grants are expected to be used for the creation of capital assets. [Source: *Union Budget 2017-18*]

Budgeted vs actual expenditure on road development (₹ Cr)



Laning status of National Highways



Source: Ministry of Road Transport and Highways

## OPPORTUNITIES AND THREATS

### Opportunities

- The Government of India has launched major initiatives to upgrade and strengthen highways and expressways in the country including enabling policy measures like:
  - 100% FDI through automatic route allowed subject to applicable laws and regulation
  - Right of way for project land made available to concessionaires free from all encumbrances
  - Capital grant of up to 40% of project cost to enhance viability on a case-to-case basis.
  - 100%-tax exemption for five years and 30% relief for next five years, which may be availed in 20 years.

- Duty free import of modern high capacity construction equipment.
- In addition to highway development, a keen emphasis has also been laid on O&M and logistical aspects.
- Setting up of driving training institutes for drivers of heavy vehicles to streamline the process of obtaining licenses.
- Training of 20,000 construction workers such as pavement technicians, masons, carpenters, reinforcement technicians each year.
- Foreign participation in Indian road network construction has attracted 45 international

contractors and 40 engineering consultants, with Malaysia, South Korea, United Kingdom and United States being the key players.  
(Source: <http://www.makeinindia.com/sector/roads-and-highways>)

### Threats

- Unpredictable regulations
  - Bureaucratic delays in approving projects
  - Endless struggles to secure land rights
  - Lack of transparency
  - Inadequate funding
  - High capital expenditure
- (Source: PwC)

## SEGMENT-WISE PERFORMANCE

Revenues stood at ₹1729.07 cr in FY17 vis-à-vis ₹1905.2 cr in FY16 due to completion of RIDCOR, Kini Tasawade project and hand over of Chennai and MK Projects to the authority.

EBIT and EBIT margins have decreased due to corresponding reduction in turnover and higher operating and maintenance costs.

PAT Margins have improved to 6.3% in FY17

from (1.9)% in FY16 due to reduction in finance costs.

Finance costs have reduced to ₹493.1 cr in FY17 from ₹642.2 cr in FY16. It includes

₹362.5 cr (Previous Period: ₹378.5 cr) relating to interest on borrowings and ₹117.2 cr (Previous Period: ₹255.7 cr) relating to accretion of Trade payables and provisions relating to resurfacing.

The Company forayed into the HAM space in

2016 with 6 HAM projects and contributed EPC revenue of ₹63 cr in FY17. The revenue from long term projects stood at ₹172 cr in FY17 against ₹356 cr in the previous year. This was mainly due to handover of IRDP Solapur, Kini Tasawade and RIDCOR projects.

Under the OMT space, the revenues were ₹846 cr against ₹928 cr in FY16. The decrease in the revenue is due to handing over the Chennai and Madurai Kanyakumari projects to the Authority. Short term tolling contributed ₹648 cr to the total revenue v/s ₹621 cr in FY16.

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## RISKS AND CONCERNS

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### Traffic volume risk

Reduced traffic volumes on roads for various unforeseen reasons can affect the profitability of the Company.

**Mitigation:** Our in-house traffic study and revenue forecasting expertise strengthens the Company's ability to evaluate and tender for projects accurately and help reduce traffic volume risk.

The contracts with Authorities have specific clauses and provisions to address any force majeure events. Such clauses specify the manner of compensation to be awarded to the concessionaire in case of such events.

### Project prequalification risk

The bidding for infrastructural projects can be really competitive.

**Mitigation:** The Company leverages its 14+ years of industry experience and

proven execution skill to surge ahead of its competitors.

### Policy risk

Any contingency arising out of sudden changes in governmental policies can reduce the revenue margins of the Company.

**Mitigation:** The demonetisation initiative which among other things resulted in a halt in toll collection impacted the Company negatively. Sudden change in policies can temporarily stagnate revenue generation and the Company deals with these risks via farsighted hedging strategies.

### Regulatory risk

Any changes in terms of administrative approvals, arbitrations and fiscal regulations can affect the operations of the Company.

**Mitigation:** The Company has forged

longstanding ties which enable it to remain abreast of the regulatory changes.

### Leverage risk

An inability to repay debts can reduce the profitability of the Company.

**Mitigation:** The Company has a prudent cash management system in place and enjoys enduring relationship with funding institutions on the back of its ability to repay debts promptly.

### Project execution risk

An inability to execute projects on time can affect the reputation of the Company.

**Mitigation:** The Company deploys dedicated professionals who monitor industry trends and plan accordingly to ensure that every project is allocated enough time for execution without compromising on quality.

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## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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The Company has adequate internal control system running throughout the organisation. Internal processes of the Company commensurate with our nature of business. The Company has appointed internal auditor who audits the adequacy and effectiveness of

the internal control system as laid down by the management and suggests improvements as required. The audit committee periodically reviews the audit plans, internal audit reports and adequacy of internal controls and risk management. As on 31 March 2017, the

Company had complied with all mandatory requirements of the SEBI (LODR) Regulations, 2015 and Clause 49 of the Listing Agreement entered into with National Stock Exchange of India Limited and BSE Limited.

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## HUMAN RESOURCES

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The Company believes that its intrinsic strength lies in its dedicated employees. As such, the Company provides competitive compensations, a favourable work environment and acknowledges employee

performance through a planned reward and recognition programme. The Company aims to create a workplace where every person can achieve his or her true potential. The Company encourages individuals to go beyond the scope

of their work, undertake projects that enable them to learn and devise innovative ideas. The Company had 2,460 employees as on 31 March 2017.

# Directors' Report

To,  
The Members,

Your Directors present their Fifteenth Annual Report and Audited Financial Statements of MEP Infrastructure Developers Limited for the Financial Year ended 31st March, 2017.

## Financial Results

Rs. in lakhs

Particulars	Standalone Results For the year ended as at		Consolidated Results For the year ended as at	
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
Total Revenue	81,000.00	74,008.85	1,81,543.58	1,98,088.81
Total Expenses	78,323.28	69,610.48	1,80,137.92	2,02,877.28
Profit/(Loss) before tax & prior period expenses	2,676.72	4,398.37	1,405.66	(4,788.47)
Prior period expense (Net)/Exceptional Item	-	-	15,793.35	-
<b>Profit/(Loss) Before Tax</b>	<b>2,676.72</b>	<b>4,398.37</b>	<b>17,199.01</b>	<b>(4,788.47)</b>
Tax Expense (Net)	(908.89)	(1,367.88)	(6,325.35)	1,575.63
<b>Profit / (Loss) After Tax</b>	<b>1,767.83</b>	<b>3,030.49</b>	<b>10,873.66</b>	<b>(3,212.84)</b>
<b>Earnings Per Share (Rs.)</b>	<b>1.09</b>	<b>1.91</b>	<b>6.70</b>	<b>(2.31)</b>

## DIVIDEND

Your Company had declared Interim Dividend of Re. 0.10 per equity share of Rs 10/- each for the Financial Year 2016-17. It resulted into cash outflow of Rs 1.63 Crores. The Board has recommended to the Members at the ensuing Annual General Meeting for the payment of Final Dividend of Re. 0.15 per equity share of Rs 10/- each for the Financial Year 2016-17.

## TRANSFER TO RESERVES

The Directors do not propose to transfer any amount to Reserve.

## PERFORMANCE OF THE COMPANY

On standalone basis, revenue from operations and other income for the financial year under review were Rs. 81,000.00 Lakhs as against Rs. 74,008.85 Lakhs for the previous financial year registering an increase of Rs. 6,991.15 Lakhs mainly due to revenue from road construction

activities. The profit before tax was Rs. 2,676.72 Lakhs and the profit after tax was Rs. 1,767.83 Lakhs for the financial year under review as against Rs. 4,398.37 Lakhs and Rs. 3,030.49 Lakhs respectively for the previous financial year.

On consolidated basis, revenue from operations and other income for the financial year under review were Rs. 1,81,543.58 Lakhs as against Rs. 1,98,088.81 Lakhs for the previous financial year registering decrease of Rs. 16,545.23 Lakhs. The profit before tax was Rs. 17,199.01 Lakhs and the profit after tax was Rs. 10,873.66 Lakhs for the financial year under review as against loss of Rs. 4,788.47 Lakhs and Rs. 3,212.84 Lakhs respectively, for the previous financial year recording considerable growth in the profit.

There were no material changes and commitments affecting the financial position of the company, between the end of the financial year and the date of the report.

## OPERATIONS

During the year under review, your Company bagged another project from National Highways Authority of India ("NHAI") under the Hybrid Annuity Model (HAM) viz. Mahuva to Kagavadar of NH-8E from km. 100.100 to km 139.915 (design chainage from km 100.450 to km 140.470) (Package-III) in the State of Gujarat. Your Company has now total 6 (Six) road projects under HAM.

Your Company has achieved the Financial Closure for all the 6 (Six) of its HAM Projects which are awarded to your Company and has successfully tied up total project finance of Rs. 1,726.65 Crores from it. Your Company has been appointed as an EPC arm for the some of the projects won under HAM.

Your Company has also received the Appointed Date for 4(Four) of its HAM Projects as detailed below:

S. No.	Project Details	Appointed Date
1.	Nagpur Ring Road-Package I [Four-laning standalone Ring Road / Bypass (km 0.5- 34.0) for Nagpur city]	5th January, 2017
2.	Nagpur Ring Road-Package II [Four-laning standalone Ring Road/Bypass (km 34.5- 62.035) for Nagpur city]	20th January, 2017
3.	Talaja Mahuva [Four-laning of Talaja Mahuva section of NH 8E (km 53.5- 100.1) & design chainage (km 54.9- 100.45)]	25th April, 2017
4.	Mahuva Kagavadar [Four-laning of Mahuva Kagavadar section of NH 8E (km 100.100- 139.915) & design chainage (km 100.450 to km140.470)]	15th May, 2017

Your Company has retained the long term toll collection project at Bhiwandi-Kalyan-Shilphata (with 2 toll plazas) from The Maharashtra State Road Development Corporation Limited ("MSRDC") in the State of Maharashtra and bagged one year tolling project at Brijghat from NHAI in the State of Uttar Pradesh.

Your Company has completed 111 projects, out of total 210 toll plazas and 1,303 lanes. The Company currently has 12 operational projects (25 toll plazas) in seven States.

In terms of Regulation 6 (2) of The Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 (the "InvIT Regulations"), the SEBI has granted the Certificate of Registration as an Infrastructure Investment Trust to MEP Infrastructure Investment Trust (MEP InvIT).

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.

## DEPOSITS

The Company has not accepted any deposits during the year.

## SHARE CAPITAL

During the year under review, there was no change in the share capital structure and the paid up capital of the Company as on 31st March, 2017 was Rs. 162,56,91,910.

## MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis forms an integral part of this report and is presented separately. It gives details of the overall industry structure, economic developments, performance and state of affairs of your Company, risk management systems and other material developments during the Financial Year 2016-17.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Jayant D. Mhaskar (DIN: 00716351), Managing Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. Your Board of Directors recommend his re-appointment.

Mrs. Preeti Trivedi (DIN: 00179479), Non-Executive Independent Director of the Company, resigned from the Board of Directors and Committees thereof with effect from 12th December, 2016. The Board has placed on record its high appreciation for the valuable contributions made by Mrs. Trivedi as a Director of the Company and as the Member of the Nomination and Remuneration Committee.

Mrs. Mira Mehrishi (DIN: 00282074), was appointed by the Board of Directors as an Additional Director with effect from 12th December, 2016. A notice has been received from a member proposing Mrs. Mehrishi as a candidate for the office of Director of the Company. Appropriate resolution seeking your approval for the same has already been included in the Notice of the Annual General Meeting.

In the opinion of the Board, Mrs. Mehrishi fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for appointment as an Independent Director and her appointment is independent of the management. She has submitted the declaration of independence, as required pursuant to Section 149(7) of the Companies Act, 2013 stating that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Mr. Murzash Manekshana (DIN: 00207311), was appointed as Wholetime Director of the Company upto 30th June, 2019. The Board of Directors at its Meeting held on 25th May, 2017 has approved and recommended to the shareholders his appointment as Deputy Managing Director of the Company for a period of 5 (Five) years with effect from 1st June, 2017 on such terms and conditions as may be mutually agreed by and between the Board and Mr. Manekshana.

The Board of Directors at its meeting held on 25th May, 2017, has approved the appointment of Mr. P. B. Dandawate as Chief Executive Officer – Roads & Infrastructure Segment and Mr. Amit A. Mokashi as Dy. CEO – Roads & Infrastructure Segment of the Company from that date.

Mr. Shridhar Phadke resigned from the post of Company Secretary and Compliance Officer of the Company with effect from closure of business hours of 5th May, 2017. The Board has placed on record its appreciation for the contribution made by Mr. Phadke during his tenure of the office. The Board in its meeting held on 25th May, 2017 has appointed Mr. Harshad Pusalkar as Company Secretary and Compliance Officer with effect from 5th May, 2017.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required under clause (c) of sub-section (3) of section 134 of the 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 the 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.

## INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED

The Central Government in consultation with the National Advisory Committee on Accounting Standards (NACAS) under Section 133 read with Section 469 of the Companies Act, 2013 has notified the Indian Accounting Standards ('Ind AS') vide G.S.R. 111(E) dated 16th February 2015. The Company has adopted the aforesaid standards, as stated in the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April, 2015 and thereafter. The aforesaid Rules have been further amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 on 30th March 2016. In view of this notification/ amendment and also as per the Regulation 33 of Listing Regulations, the Company has prepared the Financial Statements (both standalone and consolidated) for the year ended 31st March, 2017 as per Ind AS, as amended.

Your Company has shared re-stated Ind AS Profit and Loss Statement while publishing the financial results.

## SEGMENT-WISE RESULTS

During the year, your Company re-organised its business into two categories –

- i) Toll Collection/Repair and Maintenance; and
- ii) Construction.

Accordingly, the Board of Directors reviews performance of the Company on category basis in new segments. Your Company identified two business segments, in line with the Accounting Standard on Segment Reporting (Ind AS-107), which comprises: – i) Toll Collection/Repair and Maintenance; and ii) Construction.

The audited financial results of these segments are provided as a part of financial statements.

## PERFORMANCE EVALUATION OF THE DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance as well as of its Committees thereof and of the Directors individually. The manner in which the evaluation has been carried out has been covered in the Corporate Governance Report.

## REMUNERATION POLICY

The Board on the recommendation of the Nomination and Remuneration Committee has framed a policy for selection, appointment and remuneration of Directors and KMPs. The Remuneration Policy is stated in the Corporate Governance Report.

## EXTRACT OF ANNUAL RETURN

The extract 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 5 (Five) meetings of the Board held during the year. Detailed information is given in the Corporate Governance Report.

## AUDIT COMMITTEE

The Audit Committee comprises of 3 (Three) Independent Directors and an Executive Director. Detailed information is given in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board.

## CORPORATE GOVERNANCE

A separate section on Corporate Governance forms a part of our Report. A certificate has been received from the Secretarial Auditor of the Company regarding compliance of requirements of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## AUDITORS

### STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder and the members of the Company at the 14th Annual General Meeting ('AGM') held on 4th August, 2016, appointed the Joint Statutory Auditors of the Company, M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) for a period of 5 (Five) years and M/s. Gokhale & Sathe, Chartered Accountants (Firm Registration No.103264W) upto the conclusion of the ensuing Annual General Meeting.

However, your Company had received the letter dated 28th January, 2017 from one of its Joint Statutory Auditors viz. M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), expressing their inability to continue as the Joint Statutory Auditors owing to substantial increase in the cost estimate vis-à-vis the audit fees. Hence, other Joint Statutory Auditors of the Company viz. M/s. Gokhale & Sathe, Chartered Accountants (Firm Registration No. 103264W) has continued as sole Statutory Auditors of the Company after obtaining No Objection Certificate from M/s. B S R & Co. LLP Chartered Accountants.

Considering, the mandatory provisions applicable for the rotation of Auditors under the Companies Act, 2013 and rules made thereunder,

the Board of Directors on the recommendations of the Audit Committee proposes appointment of M/s. G. D. Apte & Co. Chartered Accountants (Firm Registration No. 100515W) as the Statutory Auditors of the Company to hold office for period of 5 (Five) years from the conclusion of the 15th Annual General Meeting until the conclusion of 20th Annual General Meeting of the Company subject to ratification at every Annual General Meeting of the Company.

Certificate(s) from M/s. G. D. Apte & Co. Chartered Accountants 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 the Companies (Audit and Auditors) Rules, 2014 has been received by the Company.

M/s. Gokhale & Sathe, Chartered Accountants (Firm Registration No. 103264W) will continue in some of the Subsidiaries of the Company as the Statutory Auditors if it is in line with the provisions of the Companies Act, 2013.

The Statutory Audit Report contains a qualification and reply for the observation made by the Statutory Auditors is mentioned below:

### Clarification on Auditors' Qualification:

Your Company is a 25% stakeholder in SMYR Consortium LLP (an associate concern established to operate a Toll Tax collection project at New Delhi region). The Company has a receivable of Rs. 710.14 Lakhs from the SMYR Consortium LLP. The Management is confident of recovering the same. The SMYR Consortium LLP financial statements are yet under audit and the management is in the process of obtaining a confirmation for this receivable.

## COST AUDITORS

Pursuant to section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment rules, 2014, as amended from time to time, your Company has been carrying out audit of cost records relating to road maintenance activity every year.

The Board of Directors, on the recommendation of Audit Committee has appointed M/s. A. B. Nawal & Associates (Firm Registration No. PROP-0046), Cost Accountants as Cost Auditors to audit the cost accounts of the Company for the Financial Year 2017-18. As required under the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditors forms part of the Notice convening the Annual General Meeting for their ratification.

The Cost Audit Report for the Financial Year ended 31st March, 2016 were filed on 23rd February, 2017.

The Cost Audit Reports for the Financial Year ended 31st March, 2017

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are required to be submitted by the Cost Auditor to the Board of Directors by 27th September, 2017 and same are required to be filed by the Company with the Central Government within 30 days from the receipt of the reports.

## SECRETARIAL AUDITOR

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Rules made thereunder the Company has appointed, CS Dinesh Joshi, KANJ & Associates, (Membership No. 3752) Company Secretaries in Practice to undertake the secretarial audit of the Company for the Financial Year 2016-17. Secretarial Audit Report as issued by him in the prescribed Form MR-3 is annexed to this Report.

The said Secretarial Audit Report does not contain any qualification, reservation.

## PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

Pursuant to the requirements of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review. The Company had formulated and adopted a Policy on Prevention of Sexual Harassment at Workplace.

## RISK MANAGEMENT POLICY

Your Company has implemented mechanism to identify, assess, monitor and mitigate various risks and has formulated a Risk Management Policy. The Audit Committee and the Board of Directors are informed of the Risk assessment and minimization procedures.

## CORPORATE SOCIAL RESPONSIBILITY

The Annual Report on CSR activities pursuant to Section 135 of the Companies Act, 2013 read with rules thereunder and details of the Company's CSR policy adopted by the Company is annexed to this report.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Information regarding loans, guarantees and investments as required under the provisions of section 186 of the Companies Act, 2013 is not applicable to the Company as the Company is exempted under the category of the companies providing infrastructure facilities.

## RELATED PARTY TRANSACTIONS

All related party transactions during the year were on arm's length basis and not in conflict with the interest of the Company. The particulars

of the said transactions alongwith other contracts/arrangements are also briefed in the Note/Schedule 45 to the financial statement which sets out related party disclosures. A Statement containing particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions in the prescribed Form AOC-2 is annexed to this report.

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

## 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. A declaration to this effect signed by the Vice-Chairman and Managing Director of the Company appears elsewhere in this annual report.

## PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is annexed to this report. The information about Top Ten Employees in terms of remuneration will be available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism Policy/ Whistle Blower 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 Vigil Mechanism/Whistle Blower Mechanism may be accessed through website of the Company viz. <http://www.mepinfra.com>.

## AWARDS/RECOGNITION/RANKINGS:

Your Company has been awarded as one of the "Best Infrastructure brands, 2016" by Economic Times in association with KPMG and "Best Infrastructure Company, Maharashtra" by IBN7 Worldwide Achievers.

## SUBSIDIARY/JOINT VENTURE/CONSORTIUM

Following are the companies which are Subsidiary 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	99.99	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 LIMITED	100	Wholly owned Subsidiary
MEP TORMATO PRIVATE LIMITED	100	Wholly owned Subsidiary
MEP ROADS & BRIDGES PRIVATE LIMITED	100	Wholly owned Subsidiary
MHASKAR 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
MEP NAGPUR RING ROAD 1 PRIVATE LIMITED	74	Subsidiary
MEP SANJOSE NAGPUR RING ROAD 2 PRIVATE LIMITED	74	Subsidiary
MEP SANJOSE ARAWALI KANTE ROAD PRIVATE LIMITED	74	Subsidiary
MEP SANJOSE KANTE WAKED ROAD PRIVATE LIMITED	74	Subsidiary
MEP SANJOSE TALAJA MAHUVA ROAD PRIVATE LIMITED	60	Subsidiary
MEP SANJOSE MAHUVA KAGAVADAR ROAD PRIVATE LIMITED	60	Subsidiary
MEP FOUNDATION*	99.90	Subsidiary

\*MEP Foundation is a Section 8 registered Company under Companies Act, 2013, with the main object of conducting CSR activities.

## STATUTORY DISCLOSURES

A statement containing salient features of the financial statement of the subsidiaries and associates in the prescribed Form AOC-1 is annexed to this Report. 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 and as per the provisions of Section 136(1) of the Companies Act, 2013, a copy of the same will be made available to any shareholder on request.

A Cash Flow Statement for the Financial Year 2016-17 is attached to the Balance Sheet.

## 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. 75.73 Lakhs towards Business Promotion, Advertisement Expenses, Legal Consultancy and Professional Fees.

## ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company has an effective internal financial control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedure. The Company's internal financial control system is commensurate with its size, scale and complexities of its operations.

## CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include changes in the government regulations, developments in the infrastructure segment, tax regimes and economic developments within India.

## ACKNOWLEDGEMENT & APPRECIATION

Your Directors wish to place on record their sincere appreciation, for the contribution made by the employees at all levels for their hard work and support, your Company's achievements would not have been possible without their efforts. Your Directors also wish to thank all Shareholders, Clients, Government and Regulatory Authorities and Stock Exchanges, Joint Bidding Partners, Financial Authorities, Customers, Dealers, Agents, Suppliers, Investors and Bankers for their continued support and faith reposed in the Company.

Your Directors also thank Ministry of Corporate Affairs, Stakeholders, Advocates, Solicitors and Business Associates for their continuous support.

By and on behalf of the Board of Directors

**Dattatray P. Mhaikar**

Chairman

DIN : 00309942

Place: Mumbai

Date: June 20, 2017

## 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	EXTRACT OF ANNUAL RETURN IN 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	ANNEXURE-F	FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARMS' LENGTH TRANSACTIONS IN PRESCRIBED FORM AOC-2
7	CORPORATE GOVERNANCE REPORT	

# Annexure – A

## ANNUAL REPORT ON CSR ACTIVITIES

**1. A brief outline of the 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.**

The Company has framed a Corporate Social Responsibility (CSR) Policy in compliance with the provisions of the Companies Act, 2013, and the same is placed on Company's website and the weblink for the same is stated herein below:

**Weblink:** [http://www.mepinfra.com/\\_assets/PDF/Corporate%20Governance/Policies/CSR-Policy\\_MEP-IDL.pdf](http://www.mepinfra.com/_assets/PDF/Corporate%20Governance/Policies/CSR-Policy_MEP-IDL.pdf)

The primary purpose of the Company's CSR philosophy is to make a meaningful and measurable impact on the lives of economically, physically and socially challenged communities of the Country. The CSR Activities are pursued through various initiatives undertaken by the Company either directly or through MEP Foundation or through any other trust or entity as deemed suitable.

MEP Foundation, a subsidiary of the Company (Section 8 Company) formed under the Companies Act, 2013, as the Corporate Social Responsibility (CSR) arm of the Company. It implements the activities being carried out by the Company under CSR with sharper focus on creating sustainable livelihoods.

**2. Composition of the CSR Committee:**

- Mrs. Anuya J. Mhaskar, Chairperson (Non-Executive Director)
- Mr. Murzash Manekshana (Executive Director)
- Mr. Deepak Chitnis (Independent Director)

**3. Average net profit of the Company for last three financial years:**

Average net profit: Rs. 2270.77 Lakhs

**4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**

The Company is required to spend Rs. 45.42 Lakhs.

**5. Details of CSR spend for the financial year:**

- a. Total amount spent for the financial year: 55.42 Lakhs
- b. Amount unspent, if any: NIL
- c. Manner in which the amount spent during the financial year is detailed below:

Rs. in lakhs

Sr. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) Project or Programs wise (Rs.)	Amount Spent on the project or programs (Rs.)	Cumulative Expenditure upto reporting period (Rs.)	Amount spent: Direct or through implementing agency
1.	Mauli Krupa Enterprises (For providing drinking water)	Health & Drinking Water	Maharashtra	1.41	1.41	1.41	Direct
2.	Adivashi Ashram Shala Dahanu (For Construction of Toilets)	Rural Development	Maharashtra	4.00	4.00	5.41	Through MEP Foundation
3.	Prime Minister National Relief Fund	Relief Fund	Maharashtra	2.00	2.00	7.41	Direct

Rs. in lakhs

Sr. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) Project or Programs wise (Rs.)	Amount Spent on the project or programs (Rs.)	Cumulative Expenditure upto reporting period (Rs.)	Amount spent: Direct or through implementing agency
4.	Yuvak Pratisthan (For Marathawada Drought Relief)	Drinking Water for victims of Drought	Maharashtra	10.00	10.00	17.41	Direct
5.	Donation to Tata Memorial Centre (For Cancer Treatment)	Promoting preventive health care	Maharashtra	2.50	2.50	19.91	Through MEP Foundation
6.	Rajendra Joshi Medical Association (For Helping health care for weaker section)	Measure for reducing inequalities faced by socially and economically backward group	Maharashtra	10.00	10.00	29.91	Through MEP Foundation
7.	Akhil Marathi Sahitya Mandal (For Marathi Sahitya Sammelan)	Promoting art and culture	Maharashtra	25.00	25.00	54.91	Through MEP Foundation
8.	Mission Swayam Siddha (For Empowering Women)	Promoting gender equality, empowering women	Maharashtra	0.51	0.51	55.42	Through MEP Foundation
	Total			55.42	55.42	55.42	

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.

Not Applicable.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

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

**JAYANT D. MHAISKAR**  
VICE-CHAIRMAN & MANAGING DIRECTOR  
DIN: 00716351

**ANUYA J. MHAISKAR**  
CHAIRPERSON, CSR COMMITTEE  
DIN: 00707650

MUMBAI  
JUNE 20, 2017

# Annexure – B

## Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

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

To,  
The Members,  
**MEP INFRASTRUCTURE DEVELOPERS LIMITED,**  
L45200MH2002PLC136779  
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 "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 Company's 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, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 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 there under;
- (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 there under 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'):-
  - (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 And Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; There are no events occurred during the period which attracts provisions of these regulations, hence not applicable.
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: There are no events occurred during the period which attracts provisions of these regulations, hence not applicable.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: There are no events occurred during the period which attracts provisions of these guidelines, hence not applicable.
  - (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: There

are no events occurred during the period which attracts provisions of these guidelines, hence not applicable.

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: There are no events occurred during the period which attracts provisions of these guidelines, hence not applicable.
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: There are no events occurred during the period which attracts provisions of these guidelines, hence not applicable
- (vi) As per information provided to us & the representations made by the Company and its officers for the systems and mechanism formed by the Company for the compliances under other applicable Acts, Laws & Regulations to the Company and there are no laws which specifically apply to the Company except for Indian Tolls Act, 1851.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015.

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

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, agenda and detailed notes on agenda were sent 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.

All the decision in the board meetings were carried through by majority while there were no dissenting members' 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 above referred applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company has taken following actions or enter into events having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

During the period under review; in terms of Regulation 6(2) of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, the Securities and Exchange Board of India ('SEBI') has granted the Certificate of Registration as an Infrastructure Investment Trust to MEP Infrastructure Investment Trust ('MEP InvIT'), wherein the Company will be acting as the "Sponsor" for the said MEP InvIT.

**Dinesh Joshi**

Partner,

KANJ & Associates,

Company Secretaries,

FCS No. 3752 C P No.: 2246

Place: Pune

Date: May 25, 2017

To,  
The Members,  
**MEP INFRASTRUCTURE DEVELOPERS LIMITED,**  
L45200MH2002PLC136779  
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.

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.

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.

We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

Whenever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

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.

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.

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

Place: Pune

Date: May 25, 2017

# Annexure - C

## Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended March 31, 2017

[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	L45200MH2002PLC136779
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-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400083 Tel: 022-49186270 Fax: 022-49186060

### 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:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Construction & Maintenance of Roads & Highways & Toll Collection	42101	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	MEP Infrastructure Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45203MH2010PTC199329	Subsidiary	99.99%	Section 2(87)
2.	Raima Ventures Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2010PTC199383	Subsidiary	100%	Section 2(87)
3.	Rideema Toll Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U74999MH2004PTC150238	Subsidiary	100%	Section 2(87)

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
4.	#Baramati Tollways Private Limited 409, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 076	U45203MH2010PTC203853	Subsidiary	99.99%	Section 2(87)
5.	Rideema Toll Bridge Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2012PTC237427	Subsidiary	100%	Section 2(87)
6.	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)
7.	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)
8.	Raima Toll Road Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2012PTC237838	Subsidiary	100%	Section 2(87)
9.	MEP Hyderabad Bangalore Toll Road Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45203MH2012PTC238390	Subsidiary	99.99*%	Section 2(87)
10.	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)
11.	MEP Highway Solutions Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45209MH2012PTC237871	Subsidiary	100%	Section 2(87)
12.	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)
13.	Raima Toll Et Infrastructure Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2011PTC212222	Subsidiary	100%	Section 2(87)
14.	MEP Tormato Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45202MH2014PTC257802	Subsidiary	100%	Section 2(87)
15.	MEP Roads Et Bridges Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45201MH2014PTC256362	Subsidiary	100%	Section 2(87)
16.	Mhaiskar Toll Road Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2014PTC259325	Subsidiary	100%	Section 2(87)

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
17.	MEP Infra Constructions Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45203MH2014PTC259333	Subsidiary	100%	Section 2(87)
18.	MEP Toll & Infrastructure Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2014PTC259366	Subsidiary	100%	Section 2(87)
19.	MEP Infraprojects Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45400MH2014PTC259616	Subsidiary	100%	Section 2(87)
20.	MEP Nagpur Ring Road 1 Private Limited B1-406, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45309MH2016PTC281258	Subsidiary	74%	Section 2(87)
21.	MEP Sanjose Nagpur Ring Road 2 Private Limited B1-406, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45309MH2016PTC281267	Subsidiary	74%	Section 2(87)
22.	MEP Sanjose Arawali Kante Road Private Limited B1-406, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45309MH2016PTC281538	Subsidiary	74%	Section 2(87)
23.	MEP Sanjose Kante Waked Road Private Limited B1-406, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45201MH2016PTC281169	Subsidiary	74%	Section 2(87)
24.	MEP Sanjose Talaja Mahuva Road Private Limited B1-406, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45309MH2016PTC282605	Subsidiary	60%	Section 2(87)
25.	MEP Sanjose Mahuva Kagavadar Road Private Limited B1-406 (in B wing), 04th Floor, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U45401MH2016PTC283768	Subsidiary	60%	Section 2(87)
26.	MEP Foundation 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U74999MH2016NPL283345	Subsidiary	99.90%	Section 2(87)
27.	KVM Technology Solutions Private Limited 410, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri East, Mumbai-400 072	U74999MH2015PTC261383	Associate	33%	Section 2(6)

# Step-Down Subsidiary through Rideema Toll Private Limited

\*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 of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	52819112	-	52819112	32.49	53074406	-	53074406	32.65	0.16
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	59940407	-	59940407	36.87	59940407	-	59940407	36.87	-
e) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>112759519</b>	<b>0</b>	<b>112759519</b>	<b>69.36</b>	<b>113014813</b>	<b>0</b>	<b>113014813</b>	<b>69.52</b>	<b>0.16</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<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 Promoter Shareholding (A) = (A)(1)+(A)(2)</b>	<b>112759519</b>	<b>0</b>	<b>112759519</b>	<b>69.36</b>	<b>113014813</b>	<b>0</b>	<b>113014813</b>	<b>69.52</b>	<b>0.16</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	14788923	-	14788923	9.10	14407486	-	14407486	8.86	(0.24)
b) Banks / Financial Institutions	37565	-	37565	0.02	65739	-	65739	0.04	0.02
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	9357775	-	9357775	5.76	9318373	-	9318373	5.73	(0.03)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>24184263</b>	<b>0</b>	<b>24184263</b>	<b>14.88</b>	<b>23791598</b>	<b>0</b>	<b>23791598</b>	<b>14.63</b>	<b>(0.25)</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	11899842	-	11899842	7.32	7107854	-	7107854	4.37	(2.95)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	3930791	5	3930796	2.42	5195639	30	5195669	3.20	0.78
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	4356273	-	4356273	2.68	6507882	-	6507882	4.00	1.32
c) Any Other....									
Trust	10000	-	10000	0.01	10000	-	10000	0.01	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
HUF	619860	-	619860	0.38	641325	-	641325	0.39	0.01
NRI (Non Repatriation)	24490	-	24490	0.02	26455	-	26455	0.02	-
NRI (Repatriation)	38524	-	38524	0.02	895596	-	895596	0.55	0.53
Other Directors	2973143	-	2973143	1.83	2025259	-	2025259	1.25	(0.58)
Clearing Members	1772481	-	1772481	1.09	3352740	-	3352740	2.06	0.97
Sub-total (B)(2)	25625404	5	25625409	15.76	25762750	30	25762780	15.85	0.09
Total Public Shareholding(B)= (B)(1)+ (B)(2)	49809667	5	49809672	30.64	49554348	30	49554378	30.48	(0.16)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	162569186	5	162569191	100.00	162569161	30	162569191	100	0

## (ii) Shareholding of Promoters

Sr. 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.	Dattatray P. Mhaiskar	26447180*	16.27	-	11448589**	7.04	1.03	(9.23)
2.	Jayant D. Mhaiskar	24983498***	15.37	8.60	16261498***	10.00	8.36	(5.37)
3.	Ideal Toll & Infrastructure Private Limited	59940407	36.87	5.72	29940407	18.42	0	(18.45)
	<b>Total</b>	<b>111371085</b>	<b>68.51</b>	<b>14.32</b>	<b>57650494</b>	<b>35.46</b>	<b>9.39</b>	<b>(33.05)</b>

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

\*\*Including 10220189 Equity Shares held jointly with Mrs. Sudha D. Mhaiskar

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

## (iii) Change in Promoters' Shareholding

Sr. 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 P. Mhaiskar	26447180*	16.27	27/03/2017	(14998591)	Inter se Transfer to Immediate Relative	11448589**	11448589	7.04
2.	Jayant D. Mhaiskar	24983498***	15.37	06/04/2016	200000	Acquisition		25183498	15.49
				27/03/2017	(8922000)	Inter se Transfer to Immediate Relative	16261498***	16261498	10.00
3.	Ideal Toll & Infrastructure Pvt. Ltd.	59940407	36.87	27/03/2017	(30000000)	Inter se Transfer to Subsidiary Company	29940407	29940407	18.42

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

\*\*Including 10220189 Equity Shares held jointly with Mrs. Sudha D. Mhaiskar

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

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

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Increase / (Decrease) in Shareholding during the year (Net)	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	No. of shares		No. of shares	% of total shares of the company
1	HDFC Trustee Company Limited	14407486	8.86	0	14407486	14407486	8.86
2	EM Resurgent Fund	7474980	4.60	(411000)	7063980	7063980	4.35
3	Orange Mauritius Investments Limited	1882795	1.16	(382000)	1500795	1500795	0.92
4	Sohil Chand	0	0	1463545	1463545	1463545	0.90
5	Motilal Oswal Securities Ltd- Client A/c	55956	0.034	1002688	1058644	1058644	0.65
6	Ashika Stock Broking Ltd. - Client A/c	1348561	0.83	(325408)	1023153	1023153	0.63
7	Kothari Ventures LLP	0	0	923175	923175	923175	0.57
8	Hemlata Umesh Ashar	0	0	809000	809000	809000	0.50
9	Amrit Petroleums Pvt Limited	769050	0.47	0	769050	769050	0.47
10	Aspire Emerging Fund	0	0	753598	753598	753598	0.46

\*Shareholding Pattern of Top Ten Shareholders is on PAN basis.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. 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 P. Mhaiskar	26447180*	16.27	27/03/2017	(14998591)	Inter se Transfer to Immediate Relative	11448589**	11448589	7.04
2.	Jayant D. Mhaiskar	24983498***	15.37	06/04/2016	200000	Acquisition		25183498	
				27/03/2017	(8922000)	Inter se Transfer to Immediate Relative	16261498***	16261498	10.00
3.	Murzash Manekshana	2973143	1.83	23/03/2017	(2950000)	Disposal	23143	23143	0.01
4.	Anuya J. Mhaiskar	947300	0.58	27/03/2017	8922000	Inter se Transfer from Immediate Relative	9869300	9869300	6.07
5.	Shridhar Phadke	22925****	0.01	31/05/2016	(12000)	Disposal	10925	10925	0.01
				14/10/2016	(6000)	Disposal	4925	4925	Negligible
				22/03/2017	(1990)	Disposal	2935****	2935	Negligible
6.	M. Sankaranarayanan	18000	0.01	30/03/2017	(17990)	Disposal	10	10	Negligible

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

\*\*Including 10220189 Equity Shares held jointly with Mrs. Sudha D. Mhaiskar

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

\*\*\*\* Including 2925 Equity Shares held jointly with Mrs. Sarita Phadke

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Rs. In Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	44,291.85	25.82	-	44,317.67
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	229.42	-	-	229.42
<b>Total (i+ii+iii)</b>	<b>44,521.27</b>	<b>25.82</b>	<b>-</b>	<b>44,547.09</b>
<b>Change in Indebtedness during the financial year</b>				
<b>i) Principal Amount</b>				
· Addition	10,883.12	-	-	10,883.12
· Reduction	16,114.23	25.82	-	16,140.05
<b>Net Change</b>	<b>(5,231.10)</b>	<b>(25.82)</b>	<b>-</b>	<b>(5,256.93 )</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	39,034.13	-	-	39,034.13
ii) Interest accrued but not paid	-	-	-	-
iii) Interest accrued but not due	256.03	-	-	256.03
<b>Total (i+ii+iii)</b>	<b>39,290.16</b>	<b>-</b>	<b>-</b>	<b>39,290.16</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

(Rs. In lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Jayant D. Mhaiskar	Murzash Manekshana	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	120.00	120.00	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...	--	--	--
5.	Others, please specify	--	--	--
	<b>Total (A)</b>	<b>120.00</b>	<b>120.00</b>	<b>240.00</b>
	<b>Ceiling as per the Act</b>			<b>267.67</b>

## B. REMUNERATION TO OTHER DIRECTORS:

(Rs. In lakhs)

Sr. No.	Particulars of Remuneration	Name of the Director					Total Amount
		Deepak Chitnis	K.S. Pandav	Vijay Agarwal	Preeti Trivedi	Mira Mehrishi	
1	Independent Directors						
	• Fee for attending board / committee meeting	1.25	1.15	0.90	0.70	0.30	4.30
	• Commission						
	• Others, please specify						
	<b>Total (1)</b>	<b>1.25</b>	<b>1.15</b>	<b>0.90</b>	<b>0.70</b>	<b>0.30</b>	<b>4.30</b>
2	Other Non-Executive Directors						
	• Fee for attending board / committee meeting						
	• 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>1.25</b>	<b>1.15</b>	<b>0.90</b>	<b>0.70</b>	<b>0.30</b>	<b>4.30</b>
	<b>Total Managerial Remuneration (A+B)*</b>						<b>240.00</b>
	<b>Overall Ceiling as per the Act</b>						<b>294.44</b>

\* Excluding Fee for attending board / committee meeting

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

(Rs. In lakhs)

Sr. No.	Particulars of Remuneration	Company Secretary	CFO	Total Amount
		Shridhar Phadke	M. Sankaranarayanan	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17.15	56.14	73.29
	(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...			--
5.	Others, please specify			--
	<b>Total (A)</b>	<b>17.15</b>	<b>56.14</b>	<b>73.29</b>

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

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2017.

# 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

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:

Name of Director/ Key Managerial Personnel	Remuneration (Rs. in Lacs)	% increase in Remuneration	Ratio of Director's Remuneration to median remuneration
<b>NON-EXECUTIVE DIRECTOR</b>			
Mr. Dattatray P. Mhaiskar	NIL	N.A.	N.A.
Mrs. Anuya J. Mhaiskar	NIL	N.A.	N.A.
Mr. Deepak Chitnis	1.25	N.A.	0.75
Mr. Khimji Pandav	1.15	N.A.	0.69
Mr. Vijay Agarwal	0.90	N.A.	0.54
Mrs. Preeti Trivedi *	0.70	N.A.	0.42
Mrs. Mira Mehrishi*	0.30	N.A.	0.18
<b>EXECUTIVE DIRECTOR</b>			
Mr. Jayant D. Mhaiskar	120.00	NIL	72.36
Mr. Murzash Manekshana	120.00	NIL	72.36
<b>KEY MANAGERIAL PERSONNEL</b>			
Mr. Shridhar Phadke	17.15	2.38	N.A.
Mr. M. Sankaranarayanan	56.14	2.15	N.A.

Note: Non-Executive Directors remuneration represents only sitting fees.

\*Mrs. Preeti Trivedi has resigned as an Independent Director of the Company w.e.f. December 12, 2017 and Mrs. Mira Mehrishi has been appointed as an Additional Director of the Company from that date.

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

The Requirement and disclosure are given below:

REQUIREMENTS	DISCLOSURE
The percentage increase in the median remuneration of employees in the financial year.	: No percentage increase in the median remuneration of employees during the financial year 2016-17, however 5.5% increment is given to all employees with effect from April, 2016.
The number of permanent employees on the rolls of the Company.	: 2460 employees as at 31st March, 2017.
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.	: Average percentage increase in the salaries of employees other than the managerial personnel in the last financial year was 5.5%. There is no increase in the managerial remuneration during year under reporting.
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.

# Annexure - E

## Form No. AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 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

Sr. 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	-	-	37,428.00	(31,834.96)	260,520.61	260,520.61	-	54,301.94	1,869.32	672.77	1,196.55	-	99.99%
2	Raima Ventures Private Limited	-	-	1,150.00	(1,062.23)	1,119.66	1,119.66	-	58.42	35.25	12.68	22.57	-	100%
3	Rideema Toll Private Limited	-	-	2,500.00	(3,416.76)	7,104.11	7,104.11	4,588.48	0.88	(470.20)	0.01	(470.21)	-	100%
4	Baramati Tollways Private Limited	-	-	4,474.50	(2,884.02)	6,695.57	6,695.57	-	2,136.72	1,097.88	-	1,097.88	-	99.99%
5	Rideema Toll Bridge Private Limited	-	-	1,268.00	(1,701.52)	11,062.08	11,062.08	2,090.00	6,917.56	146.71	188.22	(41.51)	-	100%
6	MEP Nagzari Toll Road Private Limited	-	-	64.00	(595.72)	396.38	396.38	0.50	0.47	(44.70)	-	(44.70)	-	100%
7	MEP IRDP Solapur Toll Road Private Limited	-	-	82.00	(34.09)	452.06	452.06	-	436.78	63.47	1.43	62.04	-	100%
8	Raima Toll Road Private Limited	-	-	1,846.50	1,779.38	12,075.85	12,075.85	-	7,062.42	15,607.54	5,489.78	10,117.76	-	100%
9	MEP Hyderabad Bangalore Toll Road Private Limited	-	-	3,507.50	(16,134.41)	68,676.88	68,676.88	-	16,859.11	(4,394.02)	(1,375.20)	(3,018.82)	-	99.99%
10	MEP Chennai Bypass Toll Road Private Limited	-	-	516.00	(9,989.30)	2,009.20	2,009.20	-	192.41	(130.97)	-	(130.97)	-	100%
11	MEP Highway Solutions Private Limited	-	-	918.50	397.33	28,557.71	28,557.71	-	3,319.06	(706.92)	(2.86)	(704.06)	-	100%
12	MEP RGSL Toll Bridge Private Limited	-	-	400.00	2,478.21	10,569.00	10,569.00	-	11,452.81	1,432.22	257.96	1,174.26	-	100%

Sr. 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
13	Raima Toll & Infrastructure Private Limited	-	-	700.00	1,092.62	15,297.19	15,297.19	5.00	10,024.78	309.10	142.09	167.01	-	100%
14	MEP Tormato Private Limited	-	-	1,300.00	(766.74)	6,670.02	6,670.02	-	89.11	(310.07)	-	(310.07)	-	100%
15	MEP Roads & Bridges Private Limited	-	-	1.00	188.69	190.16	190.16	8.53	3.19	2.72	-	2.72	-	100%
16	Mhaiskar Toll Road Private Limited	-	-	1.00	(1.00)	0.24	0.24	-	-	(0.24)	-	(0.24)	-	100%
17	MEP Infra Constructions Private Limited	-	-	1.00	(1.07)	0.26	0.26	-	-	(0.31)	-	(0.31)	-	100%
18	MEP Toll & Infrastructure Private Limited	-	-	1.00	(1.07)	0.26	0.26	-	-	(0.31)	-	(0.31)	-	100%
19	MEP Infra projects Private Limited	-	-	1.00	(19.41)	2,264.76	2,264.76	8.25	40.00	(18.67)	-	(18.67)	-	100%
20	MEP Foundation	-	-	1.00	(0.76)	0.38	0.38	-	46.47	(0.76)	-	(0.76)	-	99.90%

**Part "B": Associates and Joint Ventures**

		(Rs. in Lakhs)							
Sr. No.	Particulars	KVM Technology Solutions Private Limited (Associate)	SMYR Consortium LLP (SMYR) (Associate)	MEP Nagpur Ring Road 1 Pvt. Ltd. (JV)	MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd. (JV)	MEP Sanjose Arawali Kante Road Pvt. Ltd. (JV)	MEP Sanjose Kante Waked Road Pvt. Ltd. (JV)	MEP Sanjose Talaja Mahuva Road Pvt. Ltd. (JV)	MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd. (JV)
1	Latest audited Balance Sheet Date								
2	Shares of Associate/Joint Ventures held by the company on the year end								
	- No.	3300		2,96,07,400	3,57,26,600	3,29,17,400	4,58,67,400	6000	6000
	- Amount of Investment in Associates/ Joint Venture	Rs. 0.33	Rs. 5.00	Rs. 2960.74	Rs. 3572.66	Rs. 3291.74	Rs. 4586.74	Rs. 0.60	Rs. 0.60
	- Extend of Holding %	33%	25%	74%	74%	74%	74%	60%	60%
3	Description of how there is significant influence	To the extent of its holding	To the extent of its holding	To the extent of its holding	To the extent of its holding	To the extent of its holding	To the extent of its holding	To the extent of its holding	To the extent of its holding
4	Reason why the associate/ joint venture is not Consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	Rs. (158.27 )	Rs.(380.09)	Rs. 4093.38	Rs. 4835.11	Rs. 4421.36	Rs. 6166.49	Rs. (14.24)	Rs. (14.54)
6	Profit / (Loss) for the year								
	i. Considered in Consolidation	Rs. 6.99	0	Rs. 68.36	Rs. 5.32	Rs. (20.08)	Rs. (23.31)	Rs. (9.14)	Rs. (9.30)
	ii. Not Considered in Consolidation	-	-	-	-	-	-	-	-

- The Company had obtained Limited review report up to 31st December, 2015 and considered the unaudited financial information of SMYR in the consolidated financial results.

By and on behalf of the Board of Directors of  
**MEP INFRASTRUCTURE DEVELOPERS LIMITED**  
 (CIN: L45200MH2002PLC136799)

**JAYANT D. MHAISKAR**  
 MANAGING DIRECTOR  
 DIN: 00716351

**ANUYA J. MHAISKAR**  
 DIRECTOR  
 DIN: 00707650

**M. SANKARANARAYANAN**  
 CHIEF FINANCIAL OFFICER

**HARSHAD PUSALKAR**  
 COMPANY SECRETARY

Place: Mumbai  
 Date: June 20, 2017

# Annexure - F

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
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NIL

2. Details of material contracts or arrangement or transactions at arm's length basis

(Rs. in Crores)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
1	MEP Nagpur Ring Road 1 Pvt. Ltd.- Subsidiary Company	EPC Contract dated 13th October, 2016	On going	To execute construction work as per terms of EPC Contract amounting upto Rs. 485 Crores	30th September, 2016	72.80
2	MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd. Subsidiary Company	EPC Contract dated 13th October, 2016	On going	To execute construction work as per terms of EPC Contract amounting upto Rs. 585 Crores	30th September, 2016	87.93
3	MEP Sanjose Arawali Kante Road Pvt. Ltd. Subsidiary Company	EPC Contract dated 9th December, 2016	On going	To execute construction work as per terms of EPC Contract amounting upto Rs. 543 Crores	7th December, 2016	71.65
4	MEP Sanjose Kante Waked Road Pvt. Ltd. Subsidiary Company	EPC Contract dated 9th December, 2016	On going	To execute construction work as per terms of EPC Contract amounting upto Rs. 760 Crores	7th December, 2016	89.24

By and on behalf of the Board of Directors

**Dattatray P. Mhaikar**  
Chairman  
DIN : 00309942

Place: Mumbai  
Date: June 20, 2017

# Report on Corporate Governance

Your Director's present the Company's report on Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations, 2015'), for the year ended 31st March, 2017.

## 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 Organization. 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 the SEBI (LODR) Regulations, 2015.

## 2. BOARD OF DIRECTORS

### Composition, meetings and attendance during the year:

The Company has an optimum combination of Executive, Non-Executive and Independent Directors. The composition of your Company's Board which comprises of 8 (Eight) Directors is in conformity with the Companies Act, 2013 and also Regulation 17 of the SEBI (LODR) Regulations, 2015.

During the year under report, 5 (Five) Board Meetings were held on 24th May, 2016, 24th August, 2016, 2nd September, 2016, 12th December, 2016 and 13th February, 2017. Directors' attendance record for the said meetings and other details are as follows:

Name, Designation of Director	DIN	Category	No. of Board Meetings Attended	No. of Directorships held in other Companies#	No. of Board/Committees of Listed Companies in which Director is Chairman/Member		Attendance at last AGM
					C	M	
Mr. Dattatray P. Mhaikar Chairman	00309942	NED	3	7	-	-	No
Mr. Jayant D. Mhaikar Vice- Chairman Et Managing Director	00716351	ED	5	17	-	-	Yes
Mrs. Anuya J. Mhaikar Director	00707650	NED	5	19	-	-	Yes
Mr. Murzash Manekshana Executive Director	00207311	ED	5	3	-	-	Yes
Mr. Deepak Chitnis Independent Director	01077724	NED (I)	5	9	-	-	Yes
Mr. Khimji Pandav Independent Director	01070944	NED (I)	5	4	-	-	Yes
Mr. Vijay Agarwal Independent Director	00058548	NED (I)	4	13	1	3	No
Mrs. Preeti Trivedi * Independent Director	00179479	NED (I)	4	2	1	1	No
Mrs. Mira Mehrishi** Additional Director	00282074	NED (I)	2	2	-	-	N. A.

\* Mrs. Preeti Trivedi had resigned as an Independent Director of the Company with effect from 12th December, 2016.

\*\* Mrs. Mira Mehrishi has been appointed as an Additional Director on 12th December, 2016.

### 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, 2017, Mr. Dattatray Pandurang Mhaikar, Mr. Jayant Dattatray Mhaikar and Mrs. Anuya Jayant Mhaikar are related to each other. No other Directors are related inter se.

### Shareholding of Non-Executive Directors as at 31.3.2017

Name of Director	No. of Shares held	% of total share capital
Mr. Dattatray P. Mhaikar	11448589#	7.0423
Mrs. Anuya J. Mhaikar	9869300	6.0708

# Note : including 10220189 equity shares held jointly with Mrs. Sudha D. Mhaikar.

Further, on an on-going basis, as a part of agenda of Board/Committee Meetings, presentations are regularly made to the Board including the Independent Directors on various matters inter-alia covering the Company's and its Subsidiaries/ associates businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of Independent Directors under various statutes and other relevant matters. The details of the familiarization programme for Directors are available on the Company's website [www.mepinfra.com](http://www.mepinfra.com)

### 3. AUDIT COMMITTEE

#### Composition, meetings and attendance during the year:

During the year under report, 4(Four) Meetings of the Audit Committee were held on 24th May, 2016, 2nd September, 2016, 12th December, 2016 and 13th February, 2017.

The details of composition of the Committee and their attendance at the meetings are given below:

Name of Director	Designation	Category	No. of meetings attended
Mr. Khimji Pandav	Chairman	NED (I)	4
Mr. Jayant D. Mhaikar	Member	ED	4
Mr. Vijay Agarwal	Member	NED (I)	3
Mr. Deepak Chitnis*	Member	NED (I)	3

\* Mr. Deepak Chitnis has been appointed as Member of the Audit Committee with effect from 24th August, 2016.

The meetings of the Audit Committee were 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 expertise in the field of Finance and Management and have held or hold senior positions in the 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 Regulation 18 read with

Part C of Schedule II to the SEBI (LODR) Regulations, 2015 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 also empowered to seek legal and professional advice.

### 4. NOMINATION AND REMUNERATION COMMITTEE

#### Composition, meetings and attendance during the year:

During the year under report, 1 (One) Meeting of the Nomination and Remuneration Committee was held on 12th December 2016.

The details of composition of the Committee and their attendance at the meetings are given below:

Name of Director	Designation	Category	No. of meetings attended
Mr. Deepak Chitnis	Chairman	NED (I)	1
Mr. Dattatray P. Mhaikar	Member	NED	0
Mrs. Anuya J. Mhaikar	Member	NED	1
Mrs. Preeti Trivedi*	Member	NED (I)	1
Mr. Khimji Pandav**	Member	NED (I)	0

\* Mrs. Preeti Trivedi had resigned as a Member of the Nomination and Remuneration Committee with effect from 12th December, 2016.

\*\* Mr. Khimji Pandav has been appointed as Member of the Nomination and Remuneration Committee with effect from 13th February, 2017.

The Company Secretary acts as a secretary to the Nomination and Remuneration Committee. Minutes of the Nomination and Remuneration Committee are placed and discussed in the next meeting of the Board.

#### 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.

#### **Performance evaluation criteria for independent directors.**

At the meeting of the Nomination and Remuneration Committee held on 30th April, 2015, the Committee has fixed the following criteria for evaluation of performance of Independent Directors:

- i. Role & Accountability
- ii. Objectivity
- iii. Leadership & Initiative
- iv. Personal Attributes

The Non-Executive Independent Directors fulfil the conditions of Independence specified in Section 149 of the Companies Act, 2013. A format letter of appointment to Independent Director as provided in the Companies Act, 2013 has been issued and disclosed on website of the Company viz [www.mepinfra.com](http://www.mepinfra.com).

#### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, 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 other Committees. The same is found to be satisfactory.

At a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Directors. The same was discussed at the Board Meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed.

## **5. REMUNERATION OF DIRECTORS:**

### **Policy for Remuneration to Directors/Key Managerial Personnel**

- i. 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 Nomination & Remuneration 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.
- ii. 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 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:

- The Services are rendered by such Director in his capacity as the professional; and
- In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

iii. Remuneration to Key Managerial Personnel:

- 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.
- 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.

### Remuneration paid to Non-Executive Directors and Executive Directors

During the year under review, the Non-Executive Independent Directors were paid sitting fees at the rate of Rs. 15,000/- and Rs. 10,000/- for attending Board Meeting and Committee Meetings each time respectively.

The total remuneration paid to Independent Directors for the financial year ended 31st March, 2017 is as below:

Name	Rs.
Mr. Deepak Chitnis	1,25,000
Mr. Khimji Pandav	1,15,000
Mr. Vijay Agarwal	90,000
Mrs. Preeti Trivedi	70,000
Mrs. Mira Mehrishi	30,000
<b>Total</b>	<b>4,30,000</b>

No sitting fees is payable to Non-Executive Non-Independent Directors as they have waived their entitlement for the same.

The remuneration of Executive Directors for the year 2016-17 is as per the table below:

Name of Director	Salary benefits, bonuses	Stock Option	Pension	Rs. in Lacs	
				Total	Contract period
Mr. Jayant D. Mhaiskar	120.00	Nil	Nil	120.00	1.7.2014-30.6.2019
Mr. Murzash Manekshana	120.00	Nil	Nil	120.00	1.7.2014-30.6.2019

## 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

### Composition, meetings and attendance during the year:

During the year under report, 5 (Five) Meetings of the Stakeholders' Relationship Committee were held on 15th April, 2016, 15th June, 2016, 18th July, 2016, 13th October, 2016 and 9th January, 2017.

The details of composition of the Committee and their attendance at the meetings are given below:

Name of Director	Designation	Category	No. of meetings attended
Mrs. Anuya J. Mhaiskar	Chairperson	NED	5
Mr. Jayant D. Mhaiskar	Member	ED	5
Mr. Murzash Manekshana	Member	ED	5

Mr. Shridhar Phadke, Company Secretary of the Company is the Compliance Officer. The number of shareholders' complaints received during the year 2016-17 is 1 (previous year: 24) and all have been satisfactorily resolved within the year.

### Terms of reference:

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II to the SEBI (LODR) Regulations, 2015. 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 Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

## 7. GENERAL BODY MEETINGS

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

Financial Year	Venue	Date and Time	Details of Special Resolution Passed
2015-16	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018	04/08/2016 at 11.30 a.m.	None
2014-15	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018	23/09/2015 at 12.30 p.m.	None
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.

During the year, no resolution has been passed though Postal Ballot.

## 8. 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/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.

- Website: Comprehensive information about the Company, and its business operations and investors information can be viewed at the Company website [www.mepinfra.com](http://www.mepinfra.com).
- Financial result: The quarterly, half-yearly and annual results are regularly posted by the Company on its website. These will also be submitted to the Stock Exchanges in accordance with the SEBI (LODR) Regulations, 2015 and will also be published in one English daily newspaper and in one Marathi (regional language) newspaper within 48 hours of approval thereof.
- 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.
- Corporate Filing: Announcements, Quarterly Results, Shareholding Pattern, Analyst Presentations etc. of the Company is regularly filed by the Company with National Stock Exchange of India Limited and BSE Limited and is also available on the website of the Company.

## 9. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	
- Day	Thursday
- Date	27th July, 2017
- Time	11:30 a.m.
- Venue	Megarugas, Plot No 9/10, Saki Vihar Road, Opp. Chandivali Studio, Near Raheja Vihar Complex, Powai, Mumbai - 400 072
Financial year	1st April, 2016 to 31st March, 2017
Date of Book Closure	21st July, 2017 to 27th July, 2017 (both days inclusive)
Dividend Payment Date (subject to approval of shareholders)	By 25th August, 2017

Financial Results Calendar:	
- First Quarter results by	14th August, 2017
- Second Quarter results by	14th November, 2017
- Third Quarter results by	14th February, 2018
- Fourth Quarter results by	29th May, 2018
Listing on Stock Exchanges	<b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400 051.  <b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
Stock Code	NSE – MEP BSE – 539126
Corporate Identification Number (CIN)	L45200MH2002PLC136779
ISIN for Equity Shares	INE776I01010

Note: Annual Listing Fees for the year 2017-18 has been paid to NSE and BSE.

### Stock Market Price Data:

The details of monthly high and low price of the Equity Shares of the Company and its comparison to broad based indices BSE Sensex and NSE Nifty for the fiscal year 2016-17 are as follows:

Month	BSE				NSE			
	MEP		SENSEX		MEP		NIFTY	
	High Price	Low Price	High	Low	High Price	Low Price	High	Low
Apr-16	46.40	37.55	26,100.54	24,523.20	46.95	37.50	7992.00	7940.55
May-16	43.65	39.00	26,837.20	25,057.93	43.50	38.80	8213.60	8150.80
Jun-16	43.10	35.70	27,105.41	25,911.33	43.15	35.50	8308.15	8252.05
Jul-16	47.00	42.25	28,240.20	27,034.14	47.00	42.25	8674.70	8631.15
Aug-16	45.50	40.15	28,532.25	27,627.97	45.65	40.10	8819.20	8754.05
Sep-16	50.00	36.95	29,077.28	27,716.78	50.20	36.10	8968.70	8913.35
Oct-16	44.60	41.00	28,477.65	27,488.30	44.80	40.50	8806.95	8736.10
Nov-16	43.20	34.00	28,029.80	25,717.93	43.10	33.30	8669.60	8614.50
Dec-16	41.95	34.25	26,803.76	25,753.74	41.70	34.00	8274.95	8241.95
Jan-17	43.90	36.05	27,980.39	26,447.06	43.95	36.15	8672.70	8617.75
Feb-17	46.70	38.30	29,065.31	27,590.10	46.70	38.35	8982.15	8927.55
Mar-17	54.65	44.00	29,824.62	28,716.21	54.70	43.50	9218.40	9152.10

Source: This information is compiled from the data available from the website of BSE and NSE.

### Registrars and Share Transfer Agent

Link Intime India Private Limited

C 101, 247 Park, L B S Marg,

Vikhroli West, Mumbai 400 083

Tel.: +91 22 49186270 Fax: +91 22 49186060

E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Shareholders are advised to send all correspondence related to equity shares in Physical & Dematerialized mode 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.

## 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.

## 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).

## Shareholding as on 31st March, 2017

i. Distribution of shareholding as on 31st March, 2017

Description	No. of Shareholders	Shareholders Percentage	No. of Shares	Shares Percentage
1 - 5000	6679	76.2008	1323401	0.8141
5001 - 10000	839	9.5722	728685	0.4482
10001 - 20000	468	5.3394	757444	0.4659
20001 - 30000	212	2.4187	560595	0.3448
30001 - 40000	58	0.6617	216365	0.1331
40001 - 50000	110	1.2550	531361	0.3269
50001 - 100000	158	1.8026	1273987	0.7837
100001 & above	241	2.7496	157177353	96.6834
<b>Total</b>	<b>8765</b>	<b>100.00</b>	<b>162569191</b>	<b>100.00</b>

ii. Category of Shareholding as on 31st March, 2017

Category	Number of Shares	Shareholding Percentage
Promoters*	113014813	69.52
Mutual Fund	14407486	8.86
Financial Institutions / Banks	65739	0.04
FII/NRI/NR	3176444	1.95
Other Bodies Corporate	7107854	4.37
Other	24796855	15.25
<b>Total</b>	<b>162569191</b>	<b>100.00</b>

\*includes Promoter Group

## 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 INE776101010. As on 31st March, 2017, almost 100% of the Company's total shares representing 162569161 shares were held in dematerialised mode and the balance 30 shares were held in physical mode.

## Subsidiary Company / Consortium

The Company has one material unlisted Private Limited Subsidiary and 25 (Twenty Five) other Subsidiaries including one Section 8 Company and also one Associate Company.

The minutes of all the subsidiaries of the Company are placed before the Board of Directors of the Company. The details of the policy for determining 'material subsidiaries' are posted on the website of the Company viz. [www.mepinfra.com](http://www.mepinfra.com).

## Address for Correspondence

A-412, boomerang, Chandivali Farm Road,  
Near Chandivali Studio, Andheri (E), Mumbai - 400072  
Tel.: +91 22 6120 4800 Fax: +91 22 6120 4804  
E-mail: investorrelations@mepinfra.com

## 10. DISCLOSURES

### 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 Notes to Accounts 45 to the financial statements in the Annual Report. Further, the details of the policy are also posted on the website of the Company viz. [www.mepinfra.com](http://www.mepinfra.com).

### Strictures and Penalties

The Company has complied with all the requirements of the SEBI (LODR) Regulations, 2015, 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.

### 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).

### Disclosure of Accounting Treatment:

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

### Details of Compliance with Mandatory requirements and adoption of Non-mandatory/ discretion requirements:

The Company has complied with all the mandatory requirements and adopted non-mandatory requirements of SEBI (LODR) Regulations, 2015, and is being reviewed by the Board from time to time.

## CEO/CFO Certification

The Vice Chairman and Managing Director and Chief Financial Officer have furnished the requisite Certificates to the Board of Directors as required under SEBI (LODR) Regulations, 2015.

### 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.

The Company has complied with all the mandatory requirement of the SEBI (LODR) Regulations, 2015. The status of adoption of the non-mandatory requirements of pursuant to Regulation 27(1) read with Part E of Schedule II to the SEBI (LODR) Regulations, 2015 are as under:

#### i. Shareholders Rights

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

#### ii. Audit Qualifications

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

#### iii. 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.

## 11. 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 other documents to the e-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.

# Certificate of Compliance with the Corporate Governance Requirements

To,  
The Members of  
**MEP INFRASTRUCTURE DEVELOPERS LIMITED**  
A-412, boomerang, Chandivali Farm Road,  
Near Chandivali Studio,  
Andheri East, Mumbai 400072

We have examined the compliance of conditions of Corporate Governance by MEP INFRASTRUCTURE DEVELOPERS LIMITED ("the Company") having CIN L45200MH2002PLC136779 for the year ended 31st March, 2017 as per the relevant provisions of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression on financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

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

**Dinesh Joshi**  
Partner,

KANJ & Associates,  
Company Secretaries,  
FCS No. 3752  
C P No.: 2246

Date: May 25, 2017  
Place: Pune

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# Compliance with the Corporate Governance Code of Conduct

To,  
The Members of  
**MEP INFRASTRUCTURE DEVELOPERS LIMITED**

The Board has formulated the Code of Conduct for Business Ethics for all the Directors and Senior Managers of the Company which has been posted on the website of the Company. It is hereby affirmed that all Directors and Senior Managers have complied with the Code of Conduct for Business Ethics framed by the Company and a confirmation to this effect for the year 2016-17 has been obtained from all the Directors and Senior Managers.

BY ORDER OF THE BOARD OF DIRECTORS

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

Place : Mumbai  
Date : May 25, 2017

# MD and CFO's Certificate

To  
The Board of Directors  
**MEP Infrastructure Developers Limited**  
Mumbai

Pursuant to Regulation 17(8) of the SEBI (LODR) Regulations, 2015, this is to certify that :

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2017 and that to the best of their knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For MEP Infrastructure Developers Limited

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

**M. Sankaranarayanan**  
Chief Financial Officer

Place: Mumbai  
Date: May 25, 2017

## Independent Auditor's Report

To  
The Members of  
MEP Infrastructure Developers Limited

### Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of MEP Infrastructure Developers Limited ("the company"), which comprise the Balance sheet as at 31 March 2017, the statement of Profit and loss, the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the Standalone Ind AS Financial Statements

The company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Relevant rules issued thereunder. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require

that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements are free from material misstatement.

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

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

### Basis for Modified Opinion

As more fully explained in Note 40 to the standalone financial statements, the Company has outstanding receivables of Rs. 710.14 lakhs as at 31 March 2017 from a jointly controlled entity. In the absence of a balance confirmation from the jointly controlled entity as at 31 March 2017, we are unable to comment on the recoverability of the aforementioned balance and the consequential impact, if any, on the standalone financial statements.

### Modified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Modified Opinion paragraph above, the aforesaid Standalone Ind AS Financial Statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March 2017, and its profit and its cash flows for the year ended on that date.

### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143 (11) of the Companies Act 2013, we give in the Annexure A, statement on the matters specified in paragraph 3 & 4 of the order.
2. As required by section 143(3) of the Act, we report that:
  - a) Except for matter described in the Basis for Modified Opinion paragraph above ,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 appears from our examination of those books;
  - c) The balance sheet, statement of profit and loss, and cash flow statement dealt with by this report are in agreement with the books of account;
  - d) Except for the possible effects of the matter described in the Basis for Modified Opinion paragraph above, in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
  - e) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Modified opinion paragraph above.
  - h) With respect to the other matters 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 standalone financial statements of the -Refer Note 36 to the Standalone Ind AS Financial Statements.
    - ii. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the company.
    - iv. The company has provided requisite disclosures in its Ind AS Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. However, we are unable to obtain sufficient and appropriate evidence to support the information produced to us by the management. Refer Note 45;

For **Gokhale & Sathe**  
*Chartered Accountants*  
Firm Reg. No.: 103264W

**CA Yatin Vyavaharkar**  
*Partner*  
Membership No. 033915

Place: Mumbai  
Date: 25th May 2017

## ANNEXURE A

In the Annexure, as required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of Section 143 (11) of the Companies Act 2013, on the basis of checks, as we considered appropriate, we report on the matters specified in paragraph 3 and 4 of the said order,

- i) a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets for the year.
- b) The Company has 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 the year.
- c) According to the information and explanations given to us, the title deeds of the immovable properties are held in the name of the Company.
- ii) The Company is engaged in toll collection business. Accordingly, it does not hold any physical inventory. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.
- iii) a. During the year the company has granted unsecured loans to eleven companies covered in the register maintained under Section 189 of the Act. In our opinion and according to the information and explanations given to us, the terms and conditions of the loan are not prejudicial to the company's interest.
- b. In respect of the loans granted to the companies listed in the register maintained under section 189 of the Act, there is no principal amount due for payment during the year and the borrowers shall repay the principal amount as stipulated in the agreement. However, there is no stipulation of schedule for payment of interest and hence we are unable to make comment on regularity of payment of interest.
- c. According to the information and explanations given to us, there is no amount of loan granted to the companies listed in the register maintained under section 189 of the Act, which are overdue and outstanding for more than ninety days.
- iv) In our opinion and according to the information and explanations

given to us, there are no loans, investments, guarantees, and securities in respect of which provisions of section 185 and section 186 of the Act are applicable.

- v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits as per the directives issued by the Reserve Bank Of India and the provisions of sections 73 to 76 of the Act and the rules framed. Accordingly, paragraph 3(v) of the order is not applicable to the company.
- vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Act, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, 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 accounts in respect of undisputed statutory dues including Provident Fund, Employees State Insurance fund, income tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess have been generally deposited with the appropriate authorities. According to the information and explanations given to us, the company did not have any dues on account of sales-tax, wealth tax, duty of customs, duty of excise and value added tax.
- b. According to the information and explanation given to us, there are no undisputed amounts payable in respect of income tax and sales tax or custom duty or excise duty or value added cess or other statutory dues were outstanding, at the year end, for a period more than six months from the date they become payable.
- c. According to the information and explanation given to us, there are no dues of income tax, sales- tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account on any dispute except for the following:

Name of the statute	Nature of the Dues	Financial Year to which the amount relates to	Amount (Rs. 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)

- viii) In our opinion and according to the information and explanation given to us, the company had not defaulted in repayments of dues of financial institutions and banks during the year. The company does not have any loans or borrowings from the Government, and has not issued any debentures.
- ix) In our opinion and according to the information and explanation given to us, money raised by way of Initial Public Offer and term loans were applied for the purpose for which those were raised . The Company has not raised any money by way of further public offer.
- x) According to the information and explanation given to us, no fraud on or by the company, by its officers and employees has been noticed or reported during the course of our audit.
- xi) In our opinion and according to the information and explanation given to us, managerial remuneration paid is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanation given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 3 (xii) of the Companies Audit Report (Order) are not applicable.
- xiii) In our opinion and according to the information and explanation given to us, transactions with the related parties are in compliance with sections 177 and 188 of the act where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial statements as required by the applicable Indian Accounting standards.
- xiv) In our opinion and according to the information and explanation given to us, during the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review Therefore, the provisions of clause 3 (xiv) of the Order are not applicable.
- xv) In our opinion and according to the information and explanation given to us, during the year the company has not entered into non-cash transactions with the directors or persons connected with the directors and hence the provisions of Clause 3 (xv) of the Order are not applicable.
- xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **Gokhale & Sathe**  
Chartered Accountants  
Firm Reg. No.: 103264W

CA **Yatin Vyavaharkar**  
Partner  
Membership No. 033915

Place: Mumbai  
Date: 25th May 2017

## ANNEXURE B

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

We have audited the Internal financial controls over financial reporting of MEP INFRASTRUCTURE DEVELOPERS LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a

material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Mumbai  
Date: 25th May 2017

For **Gokhale & Sathe**  
*Chartered Accountants*  
Firm Reg. No.: 103264W

CA **Yatin Vyavaharkar**  
*Partner*  
Membership No. 033915

## Balance Sheet as at 31st March, 2017

Particulars	Notes	Rs. in Lakhs		
		As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>ASSETS</b>				
<b>Non current assets</b>				
Property, Plant and Equipment		1,883.06	1,724.87	1,129.29
Capital work-in-progress	3	71.89	-	-
Other Intangible assets	4	13,819.92	32,630.12	31,762.29
<b>Financial Assets</b>				
i. Investments	5	67,014.66	52,203.86	20,963.84
iii. Loans	6	8,471.84	20,448.14	15,728.59
iv. Other Financial Assets	7	504.47	1,412.96	1,237.06
Deferred tax assets (net)	8	268.24	347.31	481.07
Income tax assets		4,044.99	2,716.82	2,385.60
Other non current assets	9	46,147.96	21,056.67	18,294.76
<b>Total non current assets</b>		<b>142,227.03</b>	<b>132,540.75</b>	<b>91,982.50</b>
<b>Current assets</b>				
<b>Financial Assets</b>				
i. Trade receivables	10	3,533.57	13.74	3,929.34
ii. Cash and cash equivalents		1,924.81	1,272.93	799.36
iii. Bank balances other than (ii) above	11	4,204.72	3,601.99	3,034.94
iv. Loans	12	10,616.56	12,767.89	12,307.43
v. Other financial assets	13	8,195.88	8,289.31	4,108.88
Other current assets	14	16,591.13	1,289.54	1,956.30
<b>Total current assets</b>		<b>45,066.67</b>	<b>27,235.40</b>	<b>26,136.25</b>
<b>Total Assets</b>		<b>187,293.70</b>	<b>159,776.15</b>	<b>118,118.75</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	15	16,256.92	16,256.92	11,149.43
Other Equity	16	43,844.40	42,494.55	14,246.79
<b>Total Equity</b>		<b>60,101.32</b>	<b>58,751.47</b>	<b>25,396.22</b>
<b>Liabilities</b>				
<b>Non current liabilities</b>				
<b>Financial liabilities</b>				
i. Borrowings	17	19,951.78	22,145.99	16,520.01
ii. Trade payables - Non Current	18	-	-	992.10
Provisions	19	256.08	171.14	140.68
Other non-current liabilities	20	41,464.73	15,137.50	11,407.18
<b>Total non current liabilities</b>		<b>61,672.59</b>	<b>37,454.63</b>	<b>29,059.97</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
i. Borrowings	21	16,540.13	21,128.22	17,834.89
ii. Trade payables	22	23,851.11	37,454.59	36,699.69
iii. Other financial liabilities	23	8,944.81	2,862.43	7,023.13
Provisions	19	36.40	37.16	32.74
Other current liabilities	24	16,147.34	2,087.65	2,072.11
<b>Total current liabilities</b>		<b>65,519.79</b>	<b>63,570.05</b>	<b>63,662.56</b>
<b>Total liabilities</b>		<b>127,192.38</b>	<b>101,024.68</b>	<b>92,722.53</b>
<b>Total Equity and Liabilities</b>		<b>187,293.70</b>	<b>159,776.15</b>	<b>118,118.75</b>

Significant Accounting Policies

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Notes to Financial Statements

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The Notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

**For Gokhale & Sathe**

Chartered Accountants

Firm's Registration No: 103264W

**Yatin R. Vyavaharkar**

Partner

Membership No: 033915

Mumbai

Date: 25 May 2017

**Jayant D. Mhaiskar**

Managing Director

DIN: 00716351

**M. Sankaranarayanan**

Chief Financial Officer

Mumbai

Date: 25 May 2017

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

**MEP Infrastructure Developers Limited**

CIN: L45200MH2002PLC136779

**Anuya J. Mhaiskar**

Director

DIN: 00707650

**Harshad Pusalkar**

Company Secretary

## Profit & Loss for the year ended 31st March, 2017

Rs. in lakhs

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
I. Revenue from operations	25	78,084.33	69,533.27
II. Other income	26	2,915.67	4,475.58
<b>III. Total Income (I+II)</b>		<b>81,000.00</b>	<b>74,008.85</b>
<b>IV. Expenses</b>			
Operating and maintenance expenses	27	11,261.07	3,787.81
Employee Benefits Expenses	28	3,278.90	2,335.41
Finance costs	29	6,008.39	5,509.71
Depreciation and amortisation expense	3, 4	55,899.49	56,525.62
Other expenses	30	1,875.43	1,451.93
<b>Total Expenses (IV)</b>		<b>78,323.28</b>	<b>69,610.48</b>
<b>V. Profit before tax (III-IV)</b>		<b>2,676.72</b>	<b>4,398.37</b>
<b>VI. Income Tax expense</b>	<b>8</b>		
Current tax			
For current year		832.00	1,395.00
For earlier years		(16.30)	(165.69)
Deferred tax		93.18	138.57
<b>Total tax expense</b>		<b>908.89</b>	<b>1,367.88</b>
<b>VII. Profit from continuing operations (V-VI)</b>		<b>1,767.83</b>	<b>3,030.49</b>
<b>VIII. Other Comprehensive Income/(loss) from continued operations</b>			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligations		(40.76)	(13.93)
(ii) Income tax relating to above items that will not be reclassified to profit or loss		14.11	4.82
<b>Other Comprehensive Income/(loss) from continued operations (Net of tax)</b>		<b>(26.65)</b>	<b>(9.11)</b>
<b>IX. Total Comprehensive Income/(loss) from continued operations (VII+VIII) (Comprising Profit and Other Comprehensive Income for the period)</b>		<b>1,741.18</b>	<b>3,021.38</b>
Basic and diluted earnings per share (rs.)	33	1.09	1.91

Significant Accounting Policies

2

 The Notes referred to above form an integral part of the standalone financial statements  
 As per our report of even date attached

**For Gokhale & Sathe**  
 Chartered Accountants  
 Firm's Registration No: 103264W

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

Mumbai  
 Date: 25 May 2017

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

**M. Sankaranarayanan**  
 Chief Financial Officer

Mumbai  
 Date: 25 May 2017

**For and on behalf of the Board of Directors of  
 MEP Infrastructure Developers Limited**  
 CIN: L45200MH2002PLC136779

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

**Harshad Pusalkar**  
 Company Secretary

## Cash Flow Statement for the year ended 31st March, 2017

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
(Loss)/Profit before exceptional items and tax	2,676.72	4,398.37
<b>Adjustments for:</b>		
Depreciation and amortisation	55,899.49	56,525.62
Liabilities/provisions no longer required written back	-	(0.65)
Finance costs	6,008.39	5,509.71
Dividend income	(1.69)	(1.51)
Interest income	(411.19)	(421.22)
Interest income from related parties	(2,369.83)	(3,261.46)
Profit on Sale of Assets	(38.07)	(1.33)
Remeasurements of net defined benefit plans	(40.76)	(13.93)
<b>Operating profit before working capital changes</b>	<b>61,723.06</b>	<b>62,733.60</b>
<b>Adjustments for changes in working capital:</b>		
(Increase)/Decrease in trade receivables	(3,519.83)	3,915.60
(Increase)/Decrease in non-current financial assets - loans	(11.71)	1.08
(Increase)/Decrease in current financial assets - loans	2,383.14	266.60
(Increase)/Decrease in current financial assets - others	(2,804.14)	(1,450.27)
(Increase)/Decrease in other non current assets	(26,599.56)	(1,372.91)
(Increase)/Decrease in other current assets	(15,301.59)	65.80
Increase/(Decrease) in trade payables	-	(992.10)
Increase/(Decrease) in trade payables - Short term	(50,317.66)	(56,502.23)
Increase/(Decrease) in current financial liabilities - other	4,557.01	(397.05)
Increase/(Decrease) in short term provisions	(0.77)	5.07
Increase/(Decrease) in long term provisions	84.93	30.46
Increase/(Decrease) in other non-current liabilities	26,327.24	3,730.32
Increase/(Decrease) in other current liabilities	14,059.68	15.54
<b>Cash generated from operations</b>	<b>10,579.80</b>	<b>10,049.51</b>
Income tax paid	(2,143.88)	(1,560.53)
<b>Net cash from operating activities</b>	<b>8,435.92</b>	<b>8,488.98</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property Plant and Equipment including capital advances	780.98	(2,370.71)
Sale of Property Plant and Equipment	146.61	6.13
Dividend received	1.69	1.51
Loans and advances to related parties - given	(9,571.27)	(15,327.91)
Loans and advances to related parties - repayment received	27,215.75	7,846.67
Investment in subsidiary	(20,622.03)	(29,198.86)
Investment in others	-	(5.01)
Interest received	5,684.94	854.00
Investment in fixed deposits	(6,138.32)	(4,686.65)

## Cash Flow Statement for the year ended 31st March, 2017

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Redemption / maturity of fixed deposits	6,365.67	4,039.65
<b>Net cash (used in) investing activities</b>	<b>3,864.02</b>	<b>(38,841.18)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from issue of share capital	-	5,107.49
Payment of dividend	(391.33)	(196.60)
Proceeds from borrowings	5,492.71	13,606.93
Repayment of borrowings	(10,812.75)	(8,685.99)
Proceeds from issue of share capital (including securities premium)	-	27,292.51
Interest paid	(5,936.69)	(5,030.01)
Share issue expense	-	(1,268.56)
<b>Net cash generated from/(used in) financing activities</b>	<b>(11,648.06)</b>	<b>30,825.77</b>
Net Increase/(Decrease) in cash and cash equivalents	651.88	473.57
Cash and cash equivalents as at the beginning of the year	1,272.93	799.36
<b>Cash and cash equivalents as at the end of the year</b>	<b>1,924.81</b>	<b>1,272.93</b>

### Cash and cash equivalents includes:

₹ in lakhs

Particulars	For the year ended March 31, 2017	As at March 31, 2016
Cash on hand	183.32	346.27
Bank balances :		
In current accounts	806.09	853.43
Demand deposits (less than 3 months maturity)	935.05	73.23
Unclaimed dividend	0.35	-
	<b>1,924.81</b>	<b>1,272.93</b>

- The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Cash Flow Statement notified under section 133 of the Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.
- Figures in bracket indicate cash outflow

The Notes referred to above form an integral part of the standalone financial statements as per our report of even date attached

**For Gokhale & Sathe**  
 Chartered Accountants  
 Firm's Registration No: 103264W

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

Mumbai  
 Date: 25 May 2017

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

**M. Sankaranarayanan**  
 Chief Financial Officer

Mumbai  
 Date: 25 May 2017

**For and on behalf of the Board of Directors of  
 MEP Infrastructure Developers Limited**  
 CIN: L45200MH2002PLC136779

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

**Harshad Pusalkar**  
 Company Secretary

## Statement of Changes in Equity

₹ in lakhs	
Particulars	Amount
Balance as at April 1st, 2015	11,149.43
Changes in equity share capital during the year	5,107.49
Balance as at March 31, 2016	16,256.92
Changes in equity share capital during the year	-
Balance as at March 31, 2017	<b>16,256.92</b>

₹ in lakhs			
Particulars	Reserves and Surplus		
	Securities Premium (Refer note 16)	Retained earnings (Refer note 16)	Total
<b>Balance at 1st April, 2015</b>	<b>1,350.57</b>	<b>12,896.22</b>	<b>14,246.79</b>
Add: Received during the year	27,292.51		27,292.51
Less: Share issue expenses written off	(1,869.53)		(1,869.53)
Other comprehensive income		(9.11)	(9.11)
Profit for the year		3,030.49	3,030.49
Less: a) Dividend during the year		(162.57)	(162.57)
b) Dividend Distribution Tax		(34.03)	(34.03)
<b>Balance at March 31, 2016</b>	<b>26,773.55</b>	<b>15,721.01</b>	<b>42,494.55</b>
Profit for the year	-	1,767.83	1,767.83
Less: a) Proposed Dividend paid during the year		(162.57)	(162.57)
b) Interim Dividend paid during the year		(162.57)	(162.57)
c) Dividend Distribution Tax		(66.19)	(66.19)
Other comprehensive income		(26.65)	(26.65)
<b>Balance at March 31, 2017</b>	<b>26,773.55</b>	<b>17,070.85</b>	<b>43,844.40</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**For Gokhale & Sathe**  
Chartered Accountants  
Firm's Registration No: 103264W

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

Mumbai  
Date: 25 May 2017

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

**M. Sankaranarayanan**  
Chief Financial Officer

Mumbai  
Date: 25 May 2017

**For and on behalf of the Board of Directors of  
MEP Infrastructure Developers Limited**  
CIN: L45200MH2002PLC136779

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

**Harshad Pusalkar**  
Company Secretary

## Notes to Financial Statements as at 31st March, 2017

### 1 CORPORATE INFORMATION

MEP Infrastructure Developers Limited (Formerly known as MEP Infrastructure Developers Private Limited) ('MEPIDL' or 'the Company') having its registered office at A 412, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri (E), Mumbai-400072, was incorporated on August 8, 2002 vide certificate of incorporation No L45200MH2002PLC136779 issued by the Registrar of Companies, Maharashtra, Mumbai.

The Company's equity shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) with effect from 6 May, 2015. The Company is into the business of collection of toll and construction of roads along with other ancillary activities such as road repairs and maintenance of flyovers, roads and allied structures.

### 2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

These financial statements of the Company for the year ended March 31, 2017 along with comparative financial information for the year March 31, 2016 and Opening Balance Sheet as at April 1, 2015 have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements for the year ended 31 March 2017 are the first year the Company has prepared in accordance with Ind AS and are covered by Ind AS 101, first-time adoption of Indian Accounting Standards. For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

#### Historical Cost Convention

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

- certain financial assets and liabilities that are measured at fair value;
- assets held for sale – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value

#### Current non-current classification

All assets and liabilities have been classified as current or noncurrent as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

#### 2.2 Functional and presentation currency

These standalone financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

#### 2.3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the (standalone) balance sheet and (standalone) statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

##### a) Property, plant and equipment :

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be

## Notes to Financial Statements as at 31st March, 2017

capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

**b) Recognition and measurement of defined benefit obligations :**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined based on the prevailing market yields of Indian Government Securities as at the Balance Sheet Date for the estimated term of the obligations.

**c) Recognition of deferred tax assets :**

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management is reasonably certain that taxable profits will be available to absorb carried forward losses while recognising deferred tax assets.

**d) Recognition and measurement of other provisions :**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

**e) Discounting of long-term financial instruments :**

All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to subsequently measured at amortised cost, interest is accrued using the effective interest method.

### 2.4 Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments. When measuring the fair value of a financial asset or a financial liability, fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company recognises transfers due to change between levels of the fair value hierarchy at the end of the reporting period.

### 2.5 Significant accounting policies

**i) Property, Plant, Equipment**

**a) Recognition and measurement**

Property, Plant, Equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs, either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition

## Notes to Financial Statements as at 31st March, 2017

necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

### b) Transition to IND AS

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

### c) Depreciation / amortization

Depreciation is provided on a pro-rata basis on the written down value method over the estimated useful life of the assets. 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.

Useful life of the asset is taken, as specified in Schedule II of the Companies Act, 2013"

### d) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company

### e) Impairment of fixed assets

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists.

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

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such Reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such Reversal is not recognized.

## ii) Intangible assets

Toll Collection Rights

### a) Recognition and Measurement

Toll collection rights are stated at cost, less accumulated amortisation and impairment losses. Cost includes:

Contractual Upfront / monthly /fortnightly payments towards acquisition

### b) Amortisation

Intangible assets i.e. toll collection rights are amortised over the tenure of the respective toll collection contract.

## iii) Borrowing cost

Borrowing costs are interest and other costs related to borrowing that the Company incurs. in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest costs measured at Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Ancillary borrowing costs are amortised over the tenure of the loan.

## Notes to Financial Statements as at 31st March, 2017

Borrowing costs that are attributable to acquisition or construction of qualifying assets are capitalized as a part of cost of such assets till the time the asset is ready for its intended use. A qualifying assets is the one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recorded as an expense in the year in which they are incurred. Ancillary borrowing costs are amortised over the tenure of the loan.

### iv) Investment in associates, joint venture and subsidiaries

#### a) Recognition & Measurement

The Company has accounted for its investment in subsidiaries and associates, joint venture at cost.

#### b) Transition to IND AS

The Company has elected to continue with the carrying value of its investment in subsidiaries recognized as at 1 April 2015, measured as per previous GAAP and hence the carrying value is considered to be the deemed cost of such investment.

### v) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## A Financial assets

### Classification

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset

### Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity or equity instrument of another entity. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in statement of profit and loss.

### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

### Debt instruments at FVOCI

A 'debt instrument' is measured at the Fair value through other comprehensive income(FVOCI) if both the following conditions are met:

- a) The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets., and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

## Notes to Financial Statements as at 31st March, 2017

For assets classified as subsequently measured at FVOCI, interest revenue, expected credit losses, and foreign exchange gains or losses are recognised in profit or loss. Other gains and losses on remeasurement to fair value are recognised in OCI. On derecognition, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

### **Debt instrument at fair value through profit and loss (FVTPL)**

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the group may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

### **Equity investments**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Further, the Company has elected the policy to account to continue the carrying value for its investments in subsidiaries and associates as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP as at the date of transition (April 1, 2015) as per the exemption available under Ind AS 101. Also, in accordance with Ind AS 27 Company has elected the policy to account investments in subsidiaries and associates at cost.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (a) the Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### **Impairment of financial assets**

Financial assets of the Company comprise of trade receivable and other receivables consisting of debt instruments e.g., loans, debt

## Notes to Financial Statements as at 31st March, 2017

securities, deposits, and bank balance. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. An impairment loss for trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Impairment losses if any, are recognised in profit or loss for the period."

### **B Financial liabilities**

Financial instruments with a contractual obligation to deliver cash or another financial assets is recognised as financial liability by the Company.

#### **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts

#### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **vi) Leases**

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of owners.hip are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of owners.hip are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

### **vii) Trade Receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment.

## Notes to Financial Statements as at 31st March, 2017

### viii) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above

### ix) Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to the financial statements. Contingent assets are not recognized in the financial statements

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

### x) Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company, the revenue can be reliably measured and no significant uncertainty as to the measurability and collectability exists.

#### Toll collection

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

#### Revenue from Construction Contracts with Joint Ventures

Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed upto the balance sheet date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable.

If total cost is estimated to exceed total contract revenue, the Company provides for foreseeable loss. Contract revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of contract revenue has been reflected as unearned revenue.

#### Road repair and maintenance

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

#### Other income

- Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective rate of interest.
- Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

### xi) Retirement and other employee benefits

#### a) 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. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## Notes to Financial Statements as at 31st March, 2017

### b) Post Employment Employee Benefits

Retirement benefits to employees comprise payments to government provident funds, gratuity fund and Employees State Insurance

#### Defined contribution plans

The Company's contribution to defined contributions plans such as Provident Fund, Employee State Insurance and Maharashtra Labour Welfare Fund are recognised in the Statement of Profit and Loss in the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective Funds.

#### Defined benefit plans

Gratuity liability is defined benefit obligation. 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.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Actuarial gains/losses are recognized in the other comprehensive income.

### xii) Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes and Reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity

## Notes to Financial Statements as at 31st March, 2017

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. The tax effect is calculated on the accumulated timing differences at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum alternate tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### xiii) Earnings Per Share

#### a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

#### b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### xiv) Inventories

#### Construction materials, components, stores, spares and tools

They are valued at lower of cost and net realisable value. Cost is determined on first in first out basis and comprise all cost of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

#### Work-in-progress and finished goods

They are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of overheads based on normal operating capacity. Cost is determined on weighted average basis. Net realisable value is the estimated contract price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to complete the contract.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

In case if any payment for inventory is deferred beyond normal credit terms then cost is determined by discounting the future cash flows at an interest rate determined with reference to market rates. The difference between the total cost and the deemed cost in such cases are recognised as interest expense over the period of financing under the effective interest method.

### xv) Recent Accounting Pronouncements

#### Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, Statement of Cash Flows and Ind AS 102, Share-Based Payment. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to Ind AS 7, Statement of Cash Flows and IFRS 2, Share-Based Payments, respectively. The amendments are applicable to the Company from April 1, 2017.

## Notes to Financial Statements as at 31st March, 2017

### **Amendment to Ind AS 7**

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company had evaluated the disclosure requirements of the amendment and the effect on the Standalone Financial Statements is not expected to be material.

### **Amendment to Ind AS 102**

The amendment to Ind AS 102 provides specific guidance for the measurement of the cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of the cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values' but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transactions are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Company does not have share-based payments and hence no impact on financial statements.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 3 – PROPERTY, PLANT AND EQUIPMENT – AS AT MARCH 31, 2017

Property, Plant and Equipment – as at March 31, 2017

₹ in lakhs

Particulars	Gross Block (At Cost)				Accumulated Depreciation				Net Block	
	As at April 01, 2016	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2017	As at April 01, 2016	Charge for the year	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
<b>Tangible Assets*:</b>										
Office premises	981.11	-	-	981.11	39.82	58.53		98.35	882.76	941.29
Vehicles	659.62	47.55	167.21	539.96	186.45	165.91	101.32	251.04	288.92	473.18
Computer system	86.12	99.73	19.92	165.93	46.78	48.58	1.25	94.11	71.82	39.34
Toll equipments	221.84	95.17	25.93	291.09	44.38	48.28	1.95	90.71	200.38	177.47
Office equipments	44.65	63.81	-	108.46	21.33	27.84	-	49.17	59.28	23.31
Furnitures and fixtures	108.28	182.32	-	290.60	38.00	48.10	-	86.10	204.50	70.28
Plant and Machinery	-	179.93	-	179.93	-	4.53	-	4.53	175.40	-
<b>Sub-Total</b>	<b>2,101.62</b>	<b>668.51</b>	<b>213.06</b>	<b>2,557.07</b>	<b>376.76</b>	<b>401.78</b>	<b>104.52</b>	<b>674.02</b>	<b>1,883.06</b>	<b>1,724.87</b>
Capital Work in Progress	-	71.89	-	71.89	-	-	-	-	71.89	-
<b>Sub-Total</b>	<b>-</b>	<b>71.89</b>	<b>-</b>	<b>71.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71.89</b>	<b>-</b>
<b>Total</b>	<b>2,101.62</b>	<b>740.40</b>	<b>213.06</b>	<b>2,628.96</b>	<b>376.76</b>	<b>401.78</b>	<b>104.52</b>	<b>674.02</b>	<b>1,954.95</b>	<b>1,724.87</b>

\* Refer to Note No.17 and 21 for details of Property, Plant and Equipment that have been pledged as a security/ mortgaged with various Banks/Financial Institutions against loans taken

Property, Plant and Equipment – as at March 31, 2016

₹ in lakhs

Particulars	Gross Block (At Cost)				Accumulated Depreciation				Net Block	
	As at April 01, 2015	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2016	As at April 01, 2015	Charge for the year	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2016	As at April 01, 2015
<b>Tangible Assets*:</b>										
Office premises	382.46	598.65	-	981.11	-	39.82		39.82	941.29	382.46
Vehicles	387.67	271.95	-	659.62	-	186.45	-	186.45	473.18	387.67
Computer system	62.41	26.98	3.27	86.12	-	49.42	2.64	46.78	39.34	62.41
Toll equipments	184.78	43.18	6.11	221.84	-	46.31	1.93	44.38	177.47	184.78
Office equipments	24.54	20.10	-	44.65	-	21.33		21.33	23.31	24.54
Furnitures and fixtures	87.43	20.85	-	108.28	-	38.00		38.00	70.28	87.43
<b>Total</b>	<b>1,129.29</b>	<b>981.71</b>	<b>9.38</b>	<b>2,101.62</b>	<b>-</b>	<b>381.33</b>	<b>4.57</b>	<b>376.76</b>	<b>1,724.87</b>	<b>1,129.29</b>

\* Refer to Note No.17 and 21 for details of Property, Plant and Equipment that have been pledged as a security/ mortgaged with various Banks/Financial Institutions against loans taken

Property, Plant and Equipment – as at April 01, 2015

₹ in lakhs

Particulars	Gross Block (At Cost)				Accumulated Depreciation				Net Block	
	As at April 01, 2014	Additions/ Adjustments	Deductions/ Adjustments	As at April 01, 2015	As at April 01, 2014	Charge for the year	Deductions/ Adjustments	As at April 01, 2015	As at April 01, 2015	
<b>Tangible Assets* :</b>										
Office premises	382.46	-	-	382.46	-	-	-	-	-	382.46
Vehicles	387.67	-	-	387.67	-	-	-	-	-	387.67
Computer system	62.41	-	-	62.41	-	-	-	-	-	62.41
Toll equipments	184.78	-	-	184.78	-	-	-	-	-	184.78
Office equipments	24.54	-	-	24.54	-	-	-	-	-	24.54
Furnitures and fixtures	87.43	-	-	87.43	-	-	-	-	-	87.43
<b>Total</b>	<b>1,129.29</b>	<b>-</b>	<b>-</b>	<b>1,129.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,129.29</b>

\* Refer to Note No.17 and 21 for details of Property, Plant and Equipment that have been pledged as a security/ mortgaged with various Banks/Financial Institutions against loans taken

The Company has availed the deemed cost exemption in relation to the Property, Plant and Equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

Table showing information regarding gross block of assets and accumulated depreciation of Property, Plant and Equipment under Indian GAAP as on April 1, 2015

₹ in lakhs

Particulars	Gross Block (At Cost) As at April 01, 2015	Accumulated Depreciation As at April 01, 2015	Net Block As at April 01, 2015
<b>Tangible Assets:</b>			
Office premises	464.50	82.04	382.46
Vehicles	1,110.05	722.38	387.67
Computer system	281.83	219.43	62.41
Toll equipments	279.21	94.43	184.78
Office equipments	89.84	65.29	24.54
Furnitures and fixtures	193.34	105.90	87.43
<b>Total</b>	<b>2,418.76</b>	<b>1,289.47</b>	<b>1,129.29</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 4 - INTANGIBLE ASSETS - AS AT MARCH 31, 2017

Intangible Assets - as at March 31, 2017

₹ in lakhs

Particulars	Gross Block (At Cost)				Accumulated Depreciation			Net Block	
	As at April 01, 2016	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2017	As at April 01, 2016	Charge for the year	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2017
<b>Intangible Assets:</b>									
Toll Collection Rights	105,704.69	42,087.78	6,331.92	141,460.55	73,074.57	55,497.71	931.65	127,640.63	13,819.92
<b>Total</b>	<b>105,704.69</b>	<b>42,087.78</b>	<b>6,331.92</b>	<b>141,460.55</b>	<b>73,074.57</b>	<b>55,497.71</b>	<b>931.65</b>	<b>127,640.63</b>	<b>13,819.92</b>

Property, Plant and Equipment - as at March 31, 2016

₹ in lakhs

Particulars	Gross Block (At Cost)				Accumulated Depreciation			Net Block	
	As at April 01, 2015	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2016	As at April 01, 2015	Charge for the year	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2016
<b>Intangible Assets:</b>									
Toll Collection Rights	53,506.92	57,233.59	5,035.82	105,704.69	21,744.63	56,144.29	4,814.35	73,074.57	32,630.12
<b>Total</b>	<b>53,506.92</b>	<b>57,233.59</b>	<b>5,035.82</b>	<b>105,704.69</b>	<b>21,744.63</b>	<b>56,144.29</b>	<b>4,814.35</b>	<b>73,074.57</b>	<b>32,630.12</b>

Property, Plant and Equipment - as at April 01, 2015

₹ in lakhs

Particulars	Gross Block (At Cost)				Accumulated Depreciation			Net Block	
	As at April 01, 2014	Additions/ Adjustments	Deductions/ Adjustments	As at April 01, 2015	As at April 01, 2014	Charge for the year	Deductions/ Adjustments	As at April 01, 2015	As at April 01, 2015
<b>Intangible Assets:</b>									
Toll Collection Rights		53,506.92		53,506.92		21,744.63	-	21,744.63	31,762.29
<b>Total</b>	<b>-</b>	<b>53,506.92</b>	<b>-</b>	<b>53,506.92</b>	<b>-</b>	<b>21,744.63</b>	<b>-</b>	<b>21,744.63</b>	<b>31,762.29</b>

### NOTE 5 - NON CURRENT INVESTMENTS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>(A) Trade Investments</b>			
(Unquoted, fully paid up)			
In Subsidiary Companies (Refer notes below)			
Equity shares	50,580.85	50,179.83	18,949.82
Preference shares	2,000.00	2,000.00	2,000.00
In Joint Ventures	14,418.41	5.33	0.33
<b>(B) Other Investments</b>			
(Unquoted, fully paid up)			
In equity Instruments at FVTPL			
<b>In Enterprises over which significant influence is exercised by Key Managerial Person</b>			
3,300 equity shares of A J Tolls Private Limited of Rs 100 each.	-	3.30	3.30
<b>In Others</b>			
4000 shares of Jankalyan Sahakari Bank Limited of Rs. 10 each.	0.40	0.40	0.40
20,000 shares of The Kalyan Janata Sahakari Bank Limited of Rs. 25 each.	5.00	5.00	5.00
9,980 shares of Thane Janata Sahakari Bank Limited of Rs. 50 each.	4.99	4.99	4.99
5,010 shares of Ambernath Jai - Hind Co-Op Bank Limited of Rs. 100 each.	5.01	5.01	-
<b>Total</b>	<b>67,014.66</b>	<b>52,203.86</b>	<b>20,963.84</b>

## Notes to Financial Statements as at 31st March, 2017

### Note 5.1(a) In Equity Shares of Subsidiary Companies as at March 31, 2017

Name of the entity	Number of Shares	Face Value (₹)	Total (₹ in lakhs)	Proportion of ownership interest held	Principal activities
<b>Subsidiaries</b>					
MEP Infrastructure Private Limited	374,278,998	10	37,934.05	99.99%	Collection of toll, road repair and maintenance of structures, flyovers, etc
Raima Ventures Private Limited	11,498,850	10	1,149.89	100.00%	Collection of toll
Rideema Toll Private Limited	2,488,500	100	2,599.02	100.00%	Collection of toll
MEP Chennai Bypass Toll Road Private Limited	5,159,980	10	516.00	100.00%	Operation, Maintenance and Collection of toll
MEP Hyderabad Bangalore Toll Road Private Limited	15,074,890	10	1,507.49	99.99%	Operation, Maintenance and Collection of toll
Raima Toll Road Private Limited	18,464,980	10	1,846.50	100.00%	Operation, Maintenance and Collection of toll
MEP Nagzari Toll Road Private Limited	639,800	10	63.98	100.00%	Collection of toll
MEP IRDP Solapur Toll Road Private Limited	819,800	10	81.98	100.00%	Collection of toll
Rideema Toll Bridge Private Limited	12,679,800	10	1,267.98	100.00%	Collection of toll
MEP Highway Solutions Private Limited	9,184,800	10	967.33	100.00%	Construction and maintenance activities
MEP RGSL Toll Bridge Private Limited	3,999,800	10	399.98	100.00%	Operation, Maintenance and Collection of toll
Raima Toll and Infrastructure Private Limited	6,999,990	10	700.00	100.00%	Collection of toll
MEP Tormato Private Limited	12,999,999	10	1,540.65	100.00%	Installation of toll equipments , Cameras, Weigh bridges, etc
MEP Roads & Bridges Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Infra Constructions Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Infraprojects Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Toll & Infrastructure Private Limited	9,999	10	1.00	100.00%	Collection of toll
Mhaskar Toll Road Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Foundation	9,990	10	1.00	99.90%	Corporate Social Responsibilities
			<b>50,580.84</b>		

### Note 5.1(b) In Preference Shares of Subsidiary Companies as at March 31, 2017

Name of the entity	Number of Shares	Face Value (₹)	Total (₹ in lakhs)	Proportion of ownership interest held	Principal activities
12% Non-Cumulative redeemable preference shares of MEP Hyderabad Bangalore Toll Road Private Limited	20,000,000	10	2,000.00	-	Operation, Maintenance and Collection of toll
<b>Total</b>			<b>2,000.00</b>		

## Notes to Financial Statements as at 31st March, 2017

### Note 5.1(c) In Equity shares of Jointly Controlled Entities as at March 31, 2017

Name of the entity	Number of Shares	Face Value (₹)	Total (₹ in lakhs)	Proportion of ownership interest held	Principal activities
KVM Technology Solutions Private Limited	3,300	10	0.33	33.00%	Installation of toll equipments , Cameras, Weigh bridges, etc
SMYR Consortium LLP	NA	NA	5.00	25.00%	Collection of toll
MEP Nagpur Ring Road 1 Private Limited	29,607,400	10	2,960.74	74.00%	Construction and maintenance of roads
MEP Sanjose Nagpur Ring Road 2 Private Limited	35,726,600	10	3,572.66	74.00%	Construction and maintenance of roads
MEP Sanjose Arawali Kante Road Private Limited	32,917,400	10	3,291.74	74.00%	Construction and maintenance of roads
MEP Sanjose Kante Waked Road Private Limited	45,867,400	10	4,586.74	74.00%	Construction and maintenance of roads
MEP Sanjose Talaja Mahuva Road Private Limited	6,000	10	0.60	60.00%	Construction and maintenance of roads
MEP Sanjose Mahuva Kagavadar Road Private Limited	6,000	10	0.60	60.00%	Construction and maintenance of roads
<b>TOTAL</b>			<b>14,418.41</b>		

### Note 5.2(a) In Equity Shares of Subsidiary Companies as at March 31, 2016

Name of the entity	Number of Shares	Face Value (₹)	Total (₹ in lakhs)	Proportion of ownership interest held	Principal activities
<b>Subsidiaries</b>					
MEP Infrastructure Private Limited	374,278,998	10	37,934.05	99.99%	Collection of toll, road repair and maintenance of structures, flyovers, etc
Raima Ventures Private Limited	11,498,850	10	1,149.89	100.00%	Collection of toll
Rideema Toll Private Limited	2,488,500	100	2,488.50	100.00%	Collection of toll
MEP Chennai Bypass Toll Road Private Limited	5,159,980	10	516.00	100.00%	Operation, Maintenance and Collection of toll
MEP Hyderabad Bangalore Toll Road Private Limited	15,074,890	10	1,507.49	99.99%	Operation, Maintenance and Collection of toll
Raima Toll Road Private Limited	18,464,980	10	1,846.50	100.00%	Operation, Maintenance and Collection of toll
MEP Nagzari Toll Road Private Limited	639,800	10	63.98	100.00%	Collection of toll
MEP IRDP Solapur Toll Road Private Limited	819,800	10	81.98	100.00%	Collection of toll
Rideema Toll Bridge Private Limited	12,679,800	10	1,267.98	100.00%	Collection of toll
MEP Highway Solutions Private Limited	9,184,800	10	918.48	100.00%	Construction and maintenance activities
MEP RGSL Toll Bridge Private Limited	3,999,800	10	399.98	100.00%	Operation, Maintenance and Collection of toll
Raima Toll and Infrastructure Private Limited	6,999,990	10	700.00	100.00%	Collection of toll

## Notes to Financial Statements as at 31st March, 2017

### Note 5.2(a) In Equity Shares of Subsidiary Companies as at March 31, 2016 (contd.)

Name of the entity	Number of Shares	Face Value (₹)	Total (₹ in lakhs)	Proportion of ownership interest held	Principal activities
MEP Tormato Private Limited	12,999,999	10	1,300.00	100.00%	Installation of toll equipments , Cameras, Weigh bridges, etc
MEP Roads & Bridges Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Infra Constructions Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Infraprojects Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Toll & Infrastructure Private Limited	9,999	10	1.00	100.00%	Collection of toll
Mhaskar Toll Road Private Limited	9,999	10	1.00	100.00%	Collection of toll
<b>TOTAL</b>			<b>50,179.83</b>		

### Note 5.2(b) In Preference Shares of Subsidiary Companies as at March 31, 2016

Name of the entity	Number of Shares	Face Value (₹)	Total (₹ in lakhs)	Proportion of ownership interest held	Principal activities
12% Non-Cumulative redeemable preference shares of MEP Hyderabad Bangalore Toll Road Private Limited	20,000,000	10	2,000.00	-	Operation, Maintenance and Collection of toll
<b>Total</b>			<b>2,000.00</b>		

### Note 5.2(c) In Equity shares of Jointly Controlled Entities as at March 31, 2016

Name of the entity	Number of Shares	Face Value (₹)	Total (₹ in lakhs)	Proportion of ownership interest held	Principal activities
KVM Technology Solutions Private Limited	3,300	10	0.33	33.00%	Installation of toll equipments, Cameras, Weigh bridges, etc
SMYR Consortium LLP	NA	NA	5.00	25.00%	Collection of toll
<b>TOTAL</b>			<b>5.33</b>		

### Note 5.3(a) In Equity Shares of Subsidiary Companies as at April 1, 2015

Name of the entity	Number of Shares	Face Value (₹)	Total (₹ in lakhs)	Proportion of ownership interest held	Principal activities
<b>Subsidiaries</b>					
MEP Infrastructure Private Limited	111,998,998	10	11,706.05	99.99%	Collection of toll, road repair and maintenance of structures, flyovers, etc
Raima Ventures Private Limited	11,498,850	10	1,149.89	100.00%	Collection of toll
Rideema Toll Private Limited	2,488,500	100	2,488.50	100.00%	Collection of toll

## Notes to Financial Statements as at 31st March, 2017

### Note 5.3(a) In Equity Shares of Subsidiary Companies as at April 1, 2015 (contd.)

MEP Chennai Bypass Toll Road Private Limited	3,999,980	10	400.00	100.00%	Operation, Maintenance and Collection of toll
MEP Hyderabad Bangalore Toll Road Private Limited	9,890	10	0.99	99.99%	Operation, Maintenance and Collection of toll
Raima Toll Road Private Limited	9,299,980	10	930.00	100.00%	Operation, Maintenance and Collection of toll
MEP Nagzari Toll Road Private Limited	639,800	10	63.98	100.00%	Collection of toll
MEP IRDP Solapur Toll Road Private Limited	819,800	10	81.98	100.00%	Collection of toll
Rideema Toll Bridge Private Limited	2,679,800	10	267.98	100.00%	Collection of toll
MEP Highway Solutions Private Limited	7,544,800	10	754.48	100.00%	Construction and maintenance activities
MEP RGSL Toll Bridge Private Limited	3,999,800	10	399.98	100.00%	Operation, Maintenance and Collection of toll
Raima Toll and Infrastructure Private Limited	6,999,990	10	700.00	100.00%	Collection of toll
MEP Tormato Private Limited	9,999	10	1.00	100.00%	Installation of toll equipments , Cameras, Weigh bridges, etc
MEP Roads & Bridges Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Infra Constructions Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Infraprojects Private Limited	9,999	10	1.00	100.00%	Collection of toll
MEP Toll & Infrastructure Private Limited	9,999	10	1.00	100.00%	Collection of toll
Mhaiskar Toll Road Private Limited	9,999	10	1.00	100.00%	Collection of toll
<b>TOTAL</b>			<b>18,949.82</b>		

### Note 5.3(b) In Preference Shares of Subsidiary Companies as at April 1, 2015

Name of the entity	Number of Shares	Face Value (₹ in lakhs)	Total	Proportion of ownership interest held	Principal activities
12% Non-Cumulative redeemable preference shares of MEP Hyderabad Bangalore Toll Road Private Limited	20,000,000	10	2,000.00	-	Operation, Maintenance and Collection of toll
<b>Total</b>			<b>2,000.00</b>		

### Note 5.3(c) In Equity shares of Jointly Controlled Entities as at April 1, 2015

Name of the entity	Number of Shares	Face Value (₹ in lakhs)	Total	Proportion of ownership interest held	Principal activities
KVM Technology Solutions Private Limited	3,300	10	0.33	33.00%	Installation of toll equipments , Cameras, Weigh bridges, etc
<b>TOTAL</b>			<b>0.33</b>		

## Notes to Financial Statements as at 31st March, 2017

### NOTE 6 - NON CURRENT FINANCIAL ASSETS-LOANS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>To related parties:</b>			
Loans and advances	2,068.99	20,276.29	13,522.08
Advance consideration for acquisition of equity shares	6,326.25	114.98	2,151.14
<b>To parties other than related parties:</b>			
Security deposits	64.76	40.18	38.10
Loans to employees	11.84	16.69	17.27
<b>Total</b>	<b>8,471.84</b>	<b>20,448.14</b>	<b>15,728.59</b>
Less: Provisions for amounts considered doubtful			
Loans to related parties	-	-	-
<b>Total</b>	<b>8,471.84</b>	<b>20,448.14</b>	<b>15,728.59</b>

Refer to Note 12 for Current Portion of Loans to employees, and Security Deposits

#### (a) Loans and advances to related parties

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>I. Subsidiary companies</b>			
- Baramati Tollways Private Limited	900.17	1,122.26	233.26
- MEP Tormato Private Limited	1,168.82	2,842.89	-
- MEP Highway Solutions Private Limited	-	9,379.61	7,203.82
- MEP IRDP Solapur Toll Road Private Limited	-	3.05	110.00
- MEP RGSL Toll Bridge Private Limited	-	-	83.29
- Rideema Toll Private Limited	-	6,912.48	5,387.68
- MEP Infraprojects Private Limited	-	1.00	-
- MEP Infra Construction Private Limited	-	1.00	-
- MEP Toll & Infrastrucutre Private Limited	-	1.00	-
- Mhaiskar Toll Road Private Limited	-	1.00	-
- Raima Ventures Private Limited	-	12.00	-
- MEP Chennai Bypass Toll Road Private Limited	-	-	501.50
<b>II. Fellow subsidiary companies</b>			
- MEP Hamirpur Bus Terminal Private Limited	-	-	0.61
- MEP Una Bus Terminal Private Limited	-	-	1.92
<b>Total</b>	<b>2,068.99</b>	<b>20,276.29</b>	<b>13,522.08</b>

#### (b) Advance against acquisition of the equity shares

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>I. Subsidiary companies</b>			
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>Total</b>	<b>-</b>	<b>-</b>	<b>2,036.00</b>

## Notes to Financial Statements as at 31st March, 2017

### (b) Advance against acquisition of the equity shares (contd.)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>II. Joint Venture companies</b>			
MEP Sanjose Arwali Kante Road Private Limited	110.10	-	-
MEP Sanjose Kante Waked Road Private Limited	129.20	-	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	1,976.94	-	-
MEP Nagpur Ring Road 1 Private Limited	2,011.79	-	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	620.62	-	-
MEP Sanjose Talaja Mahuva Road Private Limited	1,477.60	-	-
	<b>6,326.25</b>	<b>-</b>	<b>-</b>
<b>III. Enterprises over which significant influence exercised by key management personnel</b>			
MEP Toll Gates Private Limited	-	-	0.16
	<b>-</b>	<b>-</b>	<b>0.16</b>
<b>IV. Advance to Rideema Toll Private Limited (Subsidiary Company) for acquisition of its equity holding in Baramati Toll Private Limited (Subsidiary Company)</b>			
	-	114.98	114.98
	<b>-</b>	<b>114.98</b>	<b>114.98</b>
<b>Total</b>	<b>6,326.25</b>	<b>114.98</b>	<b>2,151.14</b>

### NOTE 7 - NON CURRENT FINANCIAL ASSETS-OTHERS

(Unsecured, considered good unless otherwise stated)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Fixed deposits with banks with maturity period more than twelve months from reporting date (refer note)	457.64	1,287.72	1,207.76
Interest accrued on fixed deposits	46.83	125.24	29.30
<b>Total</b>	<b>504.47</b>	<b>1,412.96</b>	<b>1,237.06</b>

### NOTE 8 - TAXATION

#### i. Amounts recognised in profit or loss

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Current Tax		
Current year	815.70	1,229.31
<b>Total current tax</b>	<b>815.70</b>	<b>1,229.31</b>
Deferred tax		
Deferred tax on origination and reversal of temporary differences	93.18	138.57
<b>Total deferred tax</b>	<b>93.18</b>	<b>138.57</b>
<b>Total Income tax (income) / expense</b>	<b>908.88</b>	<b>1,367.88</b>

#### ii. Income Tax in Other Comprehensive income

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Remeasurement of defined benefit obligations	40.76	13.93
Tax expenses	(14.11)	(4.82)
<b>Net of tax</b>	<b>26.65</b>	<b>9.11</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 8 - TAXATION (CONTD.)

#### ii. Reconciliation of effective tax

The table below explains the differences between the expected tax expense, at the Indian statutory tax rate of 34.61% (2016: 34.61%) payable by corporate entities in India on taxable profits under tax laws in India, and the Company's total tax expense for the year.

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Profit before tax as per Statement of Profit and loss</b>	<b>2,676.72</b>	<b>4,398.37</b>
Tax using the domestic tax rate of company (34.608%)	926.36	1,522.19
<b>Tax effects of:</b>		
Expenses not deductible for tax purposes	30.83	17.58
Income not chargeable to tax	(0.58)	(0.52)
Others	(7.54)	(1.34)
Change in tax rate		(4.34)
Tax relating to prior years	(16.30)	(165.69)
Loans and advances to subsidiaries	(23.88)	
<b>Income tax expense</b>	<b>908.89</b>	<b>1,367.88</b>
Effective Tax Rate	33.96%	31.10%

### NOTE 8 - DEFERRED TAX DISCLOSURE

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Deferred tax assets</b>			
Excess of depreciation on fixed assets provided in accounts over depreciation / amortisation under income tax law	178.22	291.79	432.11
Provision for employee benefits	129.62	97.74	79.58
Fair value of security deposit	0.87	0.86	0.82
<b>Total deferred tax assets</b>	<b>308.71</b>	<b>390.39</b>	<b>512.51</b>
<b>Deferred tax liabilities</b>			
Excess of depreciation / amortisation on fixed / intangible assets in income-tax law over depreciation / amortisation provided in accounts.	4.17	-	-
Borrowing EIR	30.45	43.08	31.44
Straightling of upfront lease charges paid	5.85	-	-
<b>Total deferred tax liabilities</b>	<b>40.47</b>	<b>43.08</b>	<b>31.44</b>
<b>Deferred tax asset (net)</b>	<b>268.24</b>	<b>347.31</b>	<b>481.07</b>

₹ in lakhs

Particulars	Net balance April 1, 2015	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2016	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2017
Property, plant and equipment and Intangible asset	432.11	(140.32)		291.79	(117.73)		174.05
Straightling of upfront lease charges paid	-			-	(5.85)		(5.85)
Security deposit	0.82	0.05		0.87			0.87
Borrowings	(31.44)	(11.64)		(43.08)	12.63		(30.45)
Provision for employee benefits	79.58	13.33	4.82	97.74	17.77	14.11	129.62
<b>Tax assets (Liabilities)</b>	<b>481.07</b>	<b>(138.57)</b>	<b>4.82</b>	<b>347.31</b>	<b>(93.18)</b>	<b>14.11</b>	<b>268.24</b>

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 8 - DEFERRED TAX DISCLOSURE (CONTD.)

Significant management judgement is required in determining provision for income tax, deferred income tax liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

#### Tax losses carried forward

Deferred tax assets have not been recognised in respect of the following item, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

₹ in lakhs		
Capital Loss	Gross Amount	Expiry Date
March 31, 2017	-	-
March 31, 2016	39.47	31-Mar-17
April 1, 2015	39.47	31-Mar-17

### NOTE 9 - OTHER NON CURRENT ASSETS

₹ in lakhs			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>To related parties:</b>			
Capital advances	2,297.77	2,463.77	2,694.30
<b>To parties other than related parties:</b>			
Capital advances	264.14	1,619.53	-
Mobilisation advance	43,321.90	16,776.52	15,366.03
Prepaid expenses	264.15	196.85	234.43
<b>Total</b>	<b>46,147.96</b>	<b>21,056.67</b>	<b>18,294.76</b>

Refer to Note 14 for Current Portion of Mobilisation advance and Prepaid Expenses.

#### (a) Capital advances to related parties

₹ in lakhs			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Ideal Toll & Infrastructure Private Limited	2,297.77	2,463.77	2,694.30
<b>Total</b>	<b>2,297.77</b>	<b>2,463.77</b>	<b>2,694.30</b>

### NOTE 10 - CURRENT FINANCIAL ASSETS-TRADE RECEIVABLES

₹ in lakhs			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Unsecured considered good*	3,533.57	13.74	3,929.34
<b>Total</b>	<b>3,533.57</b>	<b>13.74</b>	<b>3,929.34</b>

\*Trade receivables includes Rs. 3,493.12 lakhs ( Previous year: Rs. Nil; April 1 2015: Rs. 3,917.74 lakhs) are due from related parties as below:

## Notes to Financial Statements as at 31st March, 2017

### NOTE 10 – CURRENT FINANCIAL ASSETS–TRADE RECEIVABLES (CONTD.)

#### (a) Trade receivables from related parties

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>I. Joint Ventures</b>			
- MEP Nagpur Ring Road 1 Private Limited	1,144.86	-	-
- MEP Sanjose Nagpur Ring Road 2 Private Limited	883.34	-	-
- MEP Sanjose Arawali Kante Road Private Limited	329.30	-	-
- MEP Sanjose Kante Wakad Road Private Limited	340.25	-	-
- MEP Sanjose Talaja-Mahuva Road Private Limited	411.74	-	-
- MEP Sanjose Mahuva-Kagavadar Road Private Limited	341.35	-	-
	<b>3,450.84</b>	<b>-</b>	<b>-</b>
<b>II. Enterprises over which significant influence is exercised by key managerial personnel</b>			
- D S Enterprises	42.28	-	2,551.53
	<b>42.28</b>	<b>-</b>	<b>2,551.53</b>
<b>III. Subsidiaries</b>			
- MEP Roads Et Bridges Private Limited	-	-	215.43
- Raima Ventures Private Limited	-	-	888.82
- Raima Toll Et Infrastructure Private Limited	-	-	261.96
	-	-	1,366.21
<b>Total</b>	<b>3,493.12</b>	<b>-</b>	<b>3,917.74</b>

#### (b) Notes:

- The carrying amounts of trade receivables as at the reporting date approximate fair value. Trade receivables are predominantly non-interest bearing. Trade receivables are shown net of an allowance for bad or doubtful debts.
- Refer Note 32 for information about credit risk of trade receivables.

### NOTE 11

#### (i) Current Financial Assets–Cash and cash equivalents

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Cash on hand	183.32	346.27	208.79
Bank balances			
In current accounts	806.09	853.43	554.70
Unclaimed dividend	0.35	-	-
In fixed deposits	935.05	73.23	35.87
<b>Cash and cash equivalents as presented in the Balance sheet</b>	<b>1,924.81</b>	<b>1,272.93</b>	<b>799.36</b>

Note: Bank balances and term deposits with banks held by the Company on a short-term basis with original maturity of three months or less. The carrying amount of cash equivalents as at reporting date at fair value.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 11 - (CONTD.)

#### (ii) Current Financial Assets–Other bank balances

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Bank deposits with maturity from 3-12 months	4,204.72	3,601.99	3,034.94
<b>Total</b>	<b>4,204.72</b>	<b>3,601.99</b>	<b>3,034.94</b>

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Details of bank deposits			
Bank deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	935.05	73.23	35.87
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	4,204.72	3,601.99	3,034.94
Bank deposits due to mature after 12 months of the reporting date included under 'Other non financial current assets' (refer note 7)	457.64	1287.72	1207.76
	<b>5,597.41</b>	<b>4,962.94</b>	<b>4,278.57</b>

Note: Total bank deposits of Rs. 5,597.41 lakhs (previous year : Rs 4,962.94 lakhs ; April 1, 2015 : 4,278.57 lakhs) comprise of Deposits having maturities of Less than 3 months, maturities of 3-12 months and maturities of more than 12 months (Disclosed under Non-Current Financial Assets). Out of the total deposits, fixed deposits with Banks of Rs.1,894.01 lakhs (previous year : Rs 1,379.42 lakhs ; April 1, 2015 : Rs. 1,203.61 lakhs) are provided as a lien for maintenance of Debt Service Reserve Account. Bank deposits of Rs. 1271.82 lakhs (previous year : Rs 875.00 lakhs ; April 1, 2015 : Rs. 875.00 lakhs) are provided as cash margin for bank facilities. Bank deposits of Rs. 2,431.58 lakhs (previous year : Rs 2,708.52 lakhs ; April 1, 2015 : Rs.2,199.96 lakhs) with various banks are provided as a lien for bank guarantees given to authorities.

### NOTE 12 CURRENT FINANCIAL ASSETS–LOANS

#### (Unsecured, considered good unless otherwise stated)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>To related parties</b>			
Loans (refer note below)	8,274.64	8,042.84	7,315.79
<b>To parties other than related parties</b>			
Security deposits	16.71	166.53	1.93
Loan to employees	4.70	7.52	9.69
Performance Security	2,320.51	4,551.00	4,980.02
<b>Total</b>	<b>10,616.56</b>	<b>12,767.89</b>	<b>12,307.43</b>

#### (a) Loans and advances to related parties

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>I. Subsidiary companies</b>			
- Baramati Tollways Private Limited	254.49	-	-
- MEP Highway Solutions Private Limited	25.00	-	-
- Rideema Toll Bridge Private Limited	261.32	73.91	970.60
- Raima Toll Road Private Limited	13.17	4,633.52	2,838.52
- MEP Nagzari Toll Road Private Limited	686.07	686.82	393.89
- Rideema Toll Private Limited	6,810.39	-	-
- MEP Infraprojects Private Limited	79.35	-	-

## Notes to Financial Statements as at 31st March, 2017

### NOTE 12 CURRENT FINANCIAL ASSETS-LOANS

(Unsecured, considered good unless otherwise stated) (contd.)

#### (a) Loans and advances to related parties (Contd.)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
- MEP Infra Construction Private Limited	0.19	-	-
- MEP Toll & Infrastructure Private Limited	0.19	-	-
- MEP Tormato Private Limited	99.66	-	-
- Mhaiskar Toll Road Private Limited	0.10	-	-
- Raima Ventures Private Limited	0.30	-	-
- Raima Toll & Infrastructure Private Limited	44.41	-	-
- MEP Hyderabad Bangalore Toll Road Private Limited	-	2,648.59	3,112.78
<b>Total</b>	<b>8,274.64</b>	<b>8,042.84</b>	<b>7,315.79</b>

### NOTE 13 CURRENT FINANCIAL ASSETS-OTHERS

(Unsecured, considered good unless otherwise stated)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Interest receivable			
- accrued on fixed deposits/recurring deposits	244.32	58.75	112.48
- accrued on loans to related parties	1,814.06	4,897.24	2,113.31
To related parties:			
- Other receivable	2,926.53	3,125.31	1,682.01
- Unbilled Revenue	2,933.89	-	-
To parties other than related parties:			
Bid Security	198.75	134.00	134.00
Advances recoverable in cash	42.28	42.03	35.09
Other receivable	36.05	31.98	31.99
<b>Total</b>	<b>8,195.88</b>	<b>8,289.31</b>	<b>4,108.88</b>

### NOTE 14 OTHER CURRENT ASSETS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Advance to suppliers	2,205.26	1.36	27.83
Prepaid expenses	136.94	191.43	133.45
Mobilisation advance	12,065.52	730.67	971.61
Share issue expenses	-	-	600.97
Advances for authority payment	2,078.99	366.08	222.44
InvIT Issue Expenses	104.42	-	-
<b>Total</b>	<b>16,591.13</b>	<b>1,289.54</b>	<b>1,956.30</b>

### NOTE 15 EQUITY SHARE CAPITAL

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>[a] Authorised share capital</b>			
200,000,000 (March 31, 2016: 200,000,000 : : April 1, 2015 : 200,000,000) equity shares of the par value of Rs 10 each	20,000.00	20,000.00	20,000.00
	<b>20,000.00</b>	<b>20,000.00</b>	<b>20,000.00</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 15 EQUITY SHARE CAPITAL (CONTD.)

₹ in lakhs

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 01, 2015
<b>[b] Issued</b>			
162,569,191 (March 31, 2016 : 162,569,191 : April 1, 2015 : 111,494,250) equity shares of Rs.10 each	16,256.92	16,256.92	11,149.43
	16,256.92	16,256.92	11,149.43
<b>[c] Subscribed and paid up</b>			
162,569,191 (March 31, 2016 : 162,569,191 : April 1, 2015 : 111,494,250) equity shares of Rs.10 each	16,256.92	16,256.92	11,149.43
	<b>16,256.92</b>	<b>16,256.92</b>	<b>11,149.43</b>

#### [d] Reconciliation of number of shares outstanding at the beginning and end of the year:

₹ in lakhs

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Equity :						
Shares outstanding, beginning of the year	162,569,191	16,256.92	111,494,250	11,149.43	100,000,000	10,000.00
Issued during the year	-	-	51,074,941	5,107.49	11,494,250	1,149.43
<b>Shares outstanding, end of the year</b>	<b>162,569,191</b>	<b>16,256.92</b>	<b>162,569,191</b>	<b>16,256.92</b>	<b>111,494,250</b>	<b>11,149.43</b>

#### [e] Shares held by its holding company

₹ in lakhs

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
<b>Equity shares of Rs 10 each fully paid held by:</b>						
Ideal Toll & Infrastructure Private Limited (Holding Company)*	-	-	-	-	59,940,407.00	5,994.04

\* Pursuant to an Initial Public Offering in May 2015, the shareholding of Ideal Toll & Infrastructure Private Limited (ITIPL) has reduced from 53.76% to 36.87% and to 18.42% therefore ITIPL is no longer the holding company as at 31 March 2016 and 2017.

#### [f] Details of shareholders holding more than 5% of the aggregate shares in the Company:

₹ in lakhs

Name of the Shareholder	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Equity shares of Rs 10 each fully paid held by:						
Ideal Toll & Infrastructure Private Limited	29,940,407	18.42%	59,940,407	36.87%	59,940,407	53.76%
Dattatray Mhaiskar jointly with Sudha Dattatray Mhaiskar (Directors)	10,220,189	6.29%	26,447,180	16.27%	25,218,780	22.62%
Jayant Dattatray Mhaiskar jointly with Anuya Jayant Mhaiskar (Directors)	11,227,920	6.91%	11,227,920	6.91%	11,227,920	10.07%
Jayant Dattatray Mhaiskar (Managing Director)	5,033,578	3.10%	13,755,578	8.46%	11,003,300	9.87%
Anuya Jayant Mhaiskar	9,869,300	6.07%	-	-	-	-
Sudha Dattatray Mhaiskar	14,998,591	9.23%	-	-	-	-
A J Tolls Private Limited	30,000,000	18.45%	-	-	-	-
	<b>111,289,985</b>	<b>68.46%</b>	<b>111,371,085</b>	<b>68.51%</b>	<b>107,390,407</b>	<b>96.32%</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 16 OTHER EQUITY

#### (i). Securities Premium

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
At the commencement of the year	26,773.55	1,350.57	-
Add: Received during the year	-	27,292.51	1,350.57
Less: Share issue expenses written off	-	(1,869.53)	-
<b>Balance as at the end of the year</b>	<b>26,773.55</b>	<b>26,773.55</b>	<b>1,350.57</b>

#### (ii). Retained earnings

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
At the commencement of the year	15,721.01	12,896.22	12,896.22
Add : Profit for the year	1,767.83	3,030.49	-
Less: a) Interim Dividend	(162.57)	(162.57)	-
b) Dividend for the year ended March 31, 2016	(162.57)	-	-
c) Dividend Distribution Tax	(66.19)	(34.03)	-
Other comprehensive income	(26.65)	(9.11)	-
<b>Balance as at the end of the year</b>	<b>17,070.85</b>	<b>15,721.01</b>	<b>12,896.22</b>

<b>Other equity [(i) + (ii)]</b>	<b>43,844.40</b>	<b>42,494.55</b>	<b>14,246.79</b>
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### NOTE 17 NON-CURRENT FINANCIAL LIABILITY-BORROWINGS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Secured Loans			
Term loans			
- from banks	15,668.02	16,904.70	16,256.45
- from financial institution	4,009.63	4,972.17	-
	19,677.65	21,876.87	16,256.45
Vehicle loans			
- from banks	50.94	235.58	246.42
- from financial institution	31.59	33.54	17.14
	82.53	269.12	263.56
Equipment loans			
- from bank	173.33	-	-
- from financial institution	18.27	-	-
	191.60	-	-
<b>Total</b>	<b>19,951.78</b>	<b>22,145.99</b>	<b>16,520.01</b>

#### I) Term loans

A) Term loan includes loan from a bank amounting to to Rs 14,999.80 lakhs (March 31, 2016 : Rs 15,869.97 lakhs and 1st April, 2015: Rs 16975.00 lakhs) 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;

## Notes to Financial Statements as at 31st March, 2017

### NOTE 17 NON-CURRENT FINANCIAL LIABILITY-BORROWINGS (CONTD.)

- 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 by MEP Infrastructure Private Limited, subsidiary company;
  - d) pledge of 5 lakhs shares of IRB Infrastructure Developers Limited, held by the promoters of the company;
  - e) pledge of 1.14 crore shares of the Company held by Promoters of the Company (in demat form).
  - 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 given by Ideal Toll & Infrastructure Private Limited and personal guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company
  - h) Equitable mortgage of 9.56 Ha land, situated at Dhakale Gaon, Baramati District, owned by relative of Promoters 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.
- B) Term loan includes loan from a bank amounting to Rs Nil (March 31, 2016 : Rs Nil and 1st April, 2015: Rs 3,749.34 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 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 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 Rs 3,750.00 lakhs commencing from 1 March 2014.
- C) Term loan includes a loan from a bank amounting to Rs Nil (March 31, 2016 : Rs 240.00 lakhs and 1st April, 2015: Rs 610.00 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 and personal guarantee given by Mr. Jayant 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.
- D) Term loan includes a loan from a bank amounting to Rs Nil (March 31, 2016 : Rs 275.42 lakhs and 1st April, 2015: Rs Nil) which is secured as under :
- a) hypothecation / assignment of receivables to be generated from the Toll collection account & refund of performance security from authority of the projects financed;
  - b) equitable mortgage(second charge) on the residential property situated at Mumbai owned by promoters of the Company;
  - c) personal guarantee of Mr. Jayant D. Mhaiskar, director of the company
- The term loan carries an interest rate calculated on rate of 13.00% p.a.(floating at monthly rest) The loan is repayable in 10 monthly installments from the date of disbursement & last installment in lumpsum on or before 31st January 2017.
- E) Term loan includes a loan from a bank amounting to Rs 1296.22 lakhs (March 31, 2016 : Rs 1483.71 lakhs and 1st April, 2015: Rs Nil) which is secured as under :
- a) exclusive charge by way of equitable/registered mortgage on the commercial properties situated at Boomerang building, Chandivali farm road, Andheri East;
  - b) pledge of 200% shares of amount equivalent to remaining portion of term loan after considering the amount against the property as per security cover in the form of demat shares of the Company;
  - c) Personal guarantee of Promoter Mr. Jayant D. Mhaiskar, director of the company.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 17 NON-CURRENT FINANCIAL LIABILITY-BORROWINGS (CONTD.)

- d) DSRA equivalent to 3 months EMI in form of undisbursed overdraft as sublimit of term loan.

The term loan carries an interest rate calculated on base rate plus 0.65% (annual reset) The loan is repayable in 72 monthly installments from the date of disbursement.

- F) Term loan includes a loan from a financial institution amounting to Rs 5000.00 lakhs (March 31, 2016 : Rs 5000.00 lakhs and 1st April, 2015: Rs Nil) which is secured as under :

- a) First pari -passu charge on approximately 21 acres of leasehold land of 99 years located at Baramati, District Pune, Maharashtra giving a security cover of 1.25 times over the loan facility.
- b) DSRA equivalent to 3 months interest servicing in form of FD with scheduled commercial bank lien marked.
- c) Subservient charge on all revenues & receivable of the Company
- d) Non-Disposal Undertaking (NDU) mechanism along with Power of Attorney (POA) of specified numbers of shares of the Company held by the Promoters of the Company so as to give cover of 1.25 times on the loan amount;
- e) Personal guarantee of Promoter Mr. Jayant D. Mhaikar.
- f) Corporate guarantee of Baramati Tollways private Limited (Land mortgagor)

The term loan carries an interest rate calculated on base rate plus spread of 1.80%. The loan is repayable in 36 equal monthly installments beginning from 25th month from the date of disbursement.

- G) Term loan from bank amounting to Rs 447.73 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) which is secured as under :

- a) by Security against receivables generated from Toll collection at Paduna toll plaza (Udaipur-Kherwada section) on NH No 8,
- b) performance security deposit receivable from NHAI, Other movable assets like toll equipment etc. used for Toll collection.
- c) Personal guarantee of Mr. Jayant D. Mhaikar, director of the company

The term loan carries an interest rate of 12.50 % p.a. (floating). The loan is repayable in 15 monthly installments commencing from July 2016.

- H) Term loan from bank amounting to Rs.364.23 lakhs (March 31, 2016 : Nil and 1st April, 2015: Rs Nil) which is secured as under:

- a) by Receivables generated from Toll collection at Ghanghari toll plaza on NH 02 in the state of Jharkhand.
- b) Performance security deposit receivable from NHAI, Other movable assets like toll equipment etc. used for toll collection at Ghanghari toll plaza
- c) Personal guarantee of Mr. Jayant D. Mhaikar, director of the company

The term loan carries an interest rate of 11.80 % p.a. (floating). The loan is repayable in 15 monthly installments commencing from October 2016.

### II) Vehicle Loans

- a) Vehicle loans from banks of Rs 146.62 lakhs (March 31, 2016 : Rs 374.88 lakhs and 1st April, 2015: Rs 314.74 lakhs) carry interest rates ranging from 9.76% - 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 Rs 64.15 lakhs (March 31, 2016 : Rs 60.05 lakhs and 1st April, 2015: Rs 28.31 lakhs) carry interest rate ranging from 9.53% - 12.34% p.a. The loans are repayable in 35 - 60 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 17 NON-CURRENT FINANCIAL LIABILITY-BORROWINGS (CONTD.)

#### III) Equipment Loans

- a) Equipment loan from bank of Rs 224.47 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) carries an interest rate of 9.25% p.a. The loan is repayable in 47 monthly installments along with interest. The loans are secured by way of hypothecation of the respective equipment.
- b) Equipment loan from financial institution of Rs 38.54 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) carries an interest rate of 11.50% p.a. The loan is repayable in 24 monthly installments along with interest. The loans are secured by way of hypothecation of the respective equipment.

### NOTE 18 - NON-CURRENT LIABILITY- TRADE PAYABLES

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade Payables	-	-	992.10
<b>Total</b>	<b>-</b>	<b>-</b>	<b>992.10</b>

Pursuant to the adoption of Ind AS, effective from 1 April 2015, all toll collection rights acquired have been accounted as "intangible assets" as required under Ind AS 38 and are amortised over the period of the respective contracts. In addition, corresponding liability which is payable to authority against acquisition of toll collection rights is recognised as trade payables. These trade payables are discounted as per the payment terms of the contract.

Refer to Note 32 for liquidity risk

### NOTE 19 - PROVISIONS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>Non-Current Provisions</b>			
Employee benefits			
Gratuity (Refer Note 44)	256.08	171.14	140.68
<b>Total (A)</b>	<b>256.08</b>	<b>171.14</b>	<b>140.68</b>
<b>Current Provisions</b>			
Employee benefits			
Gratuity (Refer Note 44)	36.40	37.16	30.12
Wealth Tax	-	-	2.62
<b>Total (B)</b>	<b>36.40</b>	<b>37.16</b>	<b>32.74</b>
<b>Total (A)+(B)</b>	<b>292.48</b>	<b>208.30</b>	<b>173.42</b>

### NOTE 20 - OTHER NON-CURRENT LIABILITIES

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Mobilisation Advance *	41,464.73	15,137.50	11,407.18
<b>Total</b>	<b>41,464.73</b>	<b>15,137.50</b>	<b>11,407.18</b>

\*Mobilisation Advance from MEP Infrastructure Private Limited (subsidiary company) Rs.21,983.78 lakhs (previous year : Rs. 15,137.50 lakhs , April 1, 2015 : 11,407.18 lakhs) pursuant to a contract for maintenance of structures, flyovers etc at five Mumbai Entry Points.

\*Mobilisation Advance from MEP Nagpur Ring Road 1 Private Limited (Jointly Controlled Entity) Rs. 3,421.59 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

\*Mobilisation Advance from MEP Sanjose Nagpur Ring Road 2 Private Limited (Jointly Controlled Entity) Rs. 4,572.61 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 20 – OTHER NON-CURRENT LIABILITIES (CONTD.)

\*Mobilisation Advance from MEP Sanjose Arawali Kante Road Private Limited (Jointly Controlled Entity) Rs. 4,657.12 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

\*Mobilisation Advance from MEP Sanjose Kante Waked Road Private Limited (Jointly Controlled Entity) Rs. 6,068.31 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

\*Mobilisation Advance from MEP Sanjose Talaja Mahuva Road Private Limited (Jointly Controlled Entity) Rs. 526.53 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

\*Mobilisation Advance from MEP Sanjose Mahuva Kagavadar Road Private Limited (Jointly Controlled Entity) Rs. 234.79 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

### NOTE 21 CURRENT FINANCIAL LIABILITY-BORROWINGS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>Secured Loans</b>			
- from banks	4,151.92	8,606.67	6,019.40
- from financial institution	300.00	-	-
<b>Loans repayable on demand (secured)</b>			
- from banks	12,088.21	12,495.73	11,715.49
<b>Unsecured Loans</b>			
From Related Parties	-	25.82	100.00
<b>Total</b>	<b>16,540.13</b>	<b>21,128.22</b>	<b>17,834.89</b>

Refer to Note 32 for liquidity risk.

#### (I) Nature of Security and Terms of Repayment for Short Term Secured borrowings

A) Term Loans from bank amounting to Rs 3350.00 lakhs (March 31, 2016 : Rs 5000.13 lakhs and 1st April, 2015: Rs 5000.00 lakhs) 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 3 months of interest servicing.
- Corporate guarantee given by Ideal Toll and Infrastructure Private Limited;
- Personal Guarantee given by Mr. Jayant D. Mhaskar 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.

B) Term Loans from bank amounting to to Rs 386.58 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured as below:

- by Hypothecation / assignment of receivables to be generated from the Toll collection at Saukala toll plaza;
- pari passu charge on the project cash flows of saukala toll collection project with the BG issuing bank and exclusive charge over the performance security deposit with NHAI,
- First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
- Personal Guarantee given by Mr. Jayant D. Mhaskar and Mrs. Anuya J. Mhaskar, director of the Company;

The term loan carries an interest rate calculated on base rate of the bank plus a spread of 3.25% p.a. below PLR. The loan is repayable in 12 monthly installments from the date of first disbursement commencing from October 2016.

## Notes to Financial Statements as at 31st March, 2017

### Nature of Security and Terms of Repayment for Short Term Secured borrowings (contd.)

C) Term Loans from bank amounting to Rs Nil (March 31, 2016 : Rs Nil and 1st April, 2015: Rs 1028.36 lakhs) is secured as below:

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

The term loan carries an interest rate calculated on rate of 13.0% (floating) p.a. floating at monthly reset. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

D) Term Loans from bank amounting to Rs Nil (March 31, 2016 : Rs 495.00 lakhs and 1st April, 2015: Rs Nil) is secured as below:

- (a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed.;
- (b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
- (c) Personal Guarantee given by Mr. Jayant D. Mhaikar, Director of the Company;

The term loan carries an interest rate calculated on rate of 12.50 % (floating) p.a. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement commencing from June 2016

E) Term Loans from bank amounting to Rs Nil (March 31, 2016 : Rs 705.00 lakhs and 1st April, 2015: Rs Nil) is secured as below:

- (a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed.;
- (b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.
- (c) Personal Guarantee given by Mr. Jayant D. Mhaikar, Director of the Company;

The term loan carries an interest rate calculated on rate of 12.50 % (floating) p.a. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement commencing from May 2016

F) Term Loans from bank amounting to Rs Nil (March 31, 2016 : Rs 617.25 lakhs and 1st April, 2015: Rs Nil) is secured as below:

- (a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;
- (b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable;
- (c) Personal Guarantee given by Mr. Jayant D. Mhaikar, Director of the Company;

The term loan carries an interest rate calculated on rate of 12.50 % p.a. (floating) at monthly rest. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement.

G) Term Loans from bank amounting to Rs 415.60 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured as below:

- (a) by Hypothecation / assignment of receivables to be generated from the Brijghat Toll collection account of the projects financed;
- (b) by Hypothecation of other movable assets, like toll equipment and performance security deposit receivable;
- (c) Personal Guarantee given by Mr. Jayant D. Mhaikar, Director of the Company;

The term loan carries an interest rate calculated on rate of 11.90 % p.a. (floating) at monthly rest. The loan is repayable in 12 monthly installments commencing from February 2017.

H) Term Loans from bank amounting to Rs Nil (March 31, 2016 : Rs 1799.25 lakhs and 1st April, 2015: Rs Nil) is secured as below :

- (a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;
- (b) Pari passu charge on the project cash flows of toll collection project with the BG issuing bank and Exclusive charge over the performance security deposit with Authority and its subsidiaries for any project funded by the bank;

## Notes to Financial Statements as at 31st March, 2017

### Nature of Security and Terms of Repayment for Short Term Secured borrowings (contd.)

(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, Director of the Company;

The term loan carries an interest rate calculated on rate of 12.50 % p.a. (floating) i.e. 3.25% below PLR. The loan is repayable in 12 unequal monthly installments from the date of first disbursement commencing from April 2016.

### Secured loan from financial institution

Term Loans from financial institution amounting to Rs 300.00 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured by Pledge of shares of the Company to provide 2.5 times of security.

The term loan carries an interest rate 18.00% p.a. The loan is repayable in 61 days from the date of disbursement commencing from 17 May 2017.

### II) Loans repayable on demand

A) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 3656.89 lakhs (March 31, 2016 : Rs 4999.07 lakhs and 1st April, 2015: Rs 4998.27 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.

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 Rs 7,497.41 lakhs (March 31, 2016 : Rs 7496.65 lakhs and 1st April, 2015: Rs 6717.22 lakhs) which is 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.

Loan carries an interest rate calculated on the base rate of the bank and a spread of 2.50% p.a.

C) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 285.04 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured by Term deposit. The loan carries an interest rate of 4.95% p.a.

D) Term loan from bank, balance outstanding amounting to Rs 648.87 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured as below ;

- a) First charge / hypothecation / assignment of security interest on Escrow account;
- b) by First and exclusive charge / hypothecation of escrow account of the borrower through which cash flows of the project financed is routed
- c) first charge by way of hypothecation of all the movable assets, present and future of the projects financed,
- d) First and exclusive charge on receivables of the financed projects upfront cash margin of 5% by way of pledge of Term deposit receipt.

Loan carries an interest rate of 1 year MCLR plus 3.00%.

### III) Unsecured loans

Interest free unsecured loan from Mr. Jayant D. Mhaiskar of Rs Nil (March 31, 2016 : Rs 25.82 lakhs and April 1, 2015 : Rs 100 lakhs) is repayable on demand.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 22 – CURRENT FINANCIAL LIABILITY-TRADE PAYABLES

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade payables*			
Amount due to Micro, Small and Medium Enterprises **			0.56
Others	23,851.11	37,454.59	36,699.13
<b>Total</b>	<b>23,851.11</b>	<b>37,454.59</b>	<b>36,699.69</b>

\* The carrying amount of trade payables as at reporting date at fair value.  
Refer to Note 32 for liquidity risk.

\*\* Disclosure for Micro, Small and Medium Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Principal amount remaining unpaid to any supplier	-	-	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.	-	-	-
	-	-	<b>0.56</b>

### NOTE 23 – CURRENT FINANCIAL LIABILITY-OTHERS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Deposit from contractors	49.24	-	-
Employee benefit payable	383.64	290.41	295.74
Current maturities of long-term debt	2,542.22	1,043.47	5,073.83
Retention from contractors	9.52	-	-
Performance security received from subsidiary	420.17	420.17	514.50
Margin Money*	594.00	594.00	594.00
Interest accrued but not due on borrowings	256.03	229.42	0.09
Interest accrued and due on borrowings	-	-	6.28
Unpaid dividend	0.35	-	-
Other liabilities	4,689.64	284.96	538.69
<b>Total</b>	<b>8,944.81</b>	<b>2,862.43</b>	<b>7,023.13</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 23 – CURRENT FINANCIAL LIABILITY-OTHERS (CONTD.)

\*Margin money aggregating Rs. 594.00 lakhs (previous year; Rs. 594.00 lakhs ; April 1, 2015: 594.00 lakhs) received from MEP Chennai Bypass Toll Road Private Limited (subsidiary company) for the purpose of issuing Bank guarantee to the authority.

Refer to Note 32 for liquidity risk.

### NOTE 24 – OTHER CURRENT LIABILITIES

Particulars	₹ in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Mobilisation Advance*	15,488.19	1,903.72	1,348.82
Statutory dues	659.15	183.93	723.29
<b>Total</b>	<b>16,147.34</b>	<b>2,087.65</b>	<b>2,072.11</b>

\*Mobilisation Advance from MEP Infrastructure Private Limited (subsidiary company) Rs. 1,568.12 lakhs (previous year : Rs. 1,903.72, April 1, 2015 : 1,348.82.00 lakhs) pursuant to a contract for maintenance of structures, flyovers etc at five Mumbai Entry Points.

\*Mobilisation Advance from MEP Nagpur Ring Road 1 Private Limited (Jointly Controlled Entity) Rs. 3,858.39 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

\*Mobilisation Advance from MEP Sanjose Nagpur Ring Road 2 Private Limited (Jointly Controlled Entity) Rs. 4,220.88 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

\*Mobilisation Advance from MEP Sanjose Arawali Kante Road Private Limited (Jointly Controlled Entity) Rs. 2,507.68 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

\*Mobilisation Advance from MEP Sanjose Kante Waked Road Private Limited (Jointly Controlled Entity) Rs. 2,855.67 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

\*Mobilisation Advance from MEP Sanjose Talaja Mahuva Road Private Limited (Jointly Controlled Entity) Rs. 351.02 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

\*Mobilisation Advance from MEP Sanjose Mahuva Kagavadar Road Private Limited (Jointly Controlled Entity) Rs. 126.43 lakhs (previous year : Nil , April 1, 2015 : Nil) pursuant to a contract, pertaining to Construction of road under Hybrid annuity model.

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 25 – REVENUE FROM OPERATIONS

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Toll Collection	62,096.61	64,169.84
Construction Revenue	6,336.90	-
Other operating revenue		
- Road repair and maintenance	9,482.14	5,363.43
- Claims from authority	168.68	-
<b>Total</b>	<b>78,084.33</b>	<b>69,533.27</b>

### NOTE 26 – OTHER INCOME

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest income		
- from fixed deposits	407.98	418.18
- from loans to related parties	2,369.83	3,261.46
- from loans to parties other than related parties	0.11	0.50
- on Income Tax Refund	92.26	-
- other Interest income	3.10	2.54
Facility fees from related parties	-	783.80
Profit on sale of assets	38.07	1.33
Provisions no longer required	-	0.65
Dividend income	1.69	1.51
Miscellaneous income	2.63	5.61
<b>Total</b>	<b>2,915.67</b>	<b>4,475.58</b>

### NOTE 27 – OPERATING AND MAINTENANCE EXPENSES

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Concession fees to authority	3,253.37	2,085.76
Construction expenses	5,266.76	-
Road repairing and maintenance expenses	1,688.10	1,137.17
Maintenance cost paid to authority	73.36	150.20
Toll attendant expenses	583.58	123.46
Other site operational expenses	395.89	291.22
<b>Total</b>	<b>11,261.07</b>	<b>3,787.81</b>

### NOTE 28 – EMPLOYEE BENEFITS EXPENSE

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, wages and bonus	2,782.38	1,928.96
Contribution to Provident and Other Funds (Refer Note 44 )	150.38	152.06
Gratuity Expense (Refer Note 44 )	39.78	41.26
Staff Welfare Expenses	306.36	213.13
<b>Total</b>	<b>3,278.90</b>	<b>2,335.41</b>

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 29 – FINANCE COSTS

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Interest expenses</b>		
- from banks	4,803.57	4,672.49
- from financial institutions	677.46	404.41
- from unwinding of trade payables	26.65	245.01
<b>Other borrowing cost</b>		
Processing fees	304.28	19.28
Bank guarantee and commission	196.43	168.52
<b>Total</b>	<b>6,008.39</b>	<b>5,509.71</b>

### NOTE 30 – OTHER EXPENSES

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Rates and taxes	58.01	110.99
Auditors remuneration (Refer Note 41)	62.03	81.21
Legal consultancy and professional fees	533.51	283.44
Rent	26.84	18.57
Corporate Social Responsibility (CSR) expenditure (Refer Note 39)	55.42	5.00
Bank charges	70.22	104.82
Travelling and conveyance expenses	288.42	276.11
Repairs and maintenance		
- to toll equipments	39.07	74.02
- to computers	32.35	24.78
- others	87.19	60.16
Insurance	31.76	20.52
Directors sitting fees	4.00	5.35
Business promotion and advertisement expenses	236.71	104.95
Miscellaneous expenses	349.90	282.02
<b>Total</b>	<b>1,875.43</b>	<b>1,451.93</b>

### NOTE 31

#### i. Financial instruments – Fair values and risk management

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

#### A. Accounting classification and fair values

March 31, 2017	Carrying amount			Fair Value			
	Fair value through Profit and Loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>							
Non-current investments - Unquoted equity shares*	15.40		15.40				-
Non Current Loans		8,471.84	8,471.84				-
Other non current financial assets		504.47	504.47				-

## Notes to Financial Statements as at 31st March, 2017

### NOTE 31 - (CONTD.)

March 31, 2017	Carrying amount			Fair Value			
	Fair value through Profit and Loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Trade and other receivables	-	3,533.57	3,533.57	-	-	-	-
Current Loans and Advances	-	10,616.56	10,616.56	-	-	-	-
Cash and cash equivalents	-	1,924.81	1,924.81	-	-	-	-
Bank Balances other than above	-	4,204.72	4,204.72	-	-	-	-
Other Current financial asset	-	8,195.88	8,195.88	-	-	-	-
	<b>15.40</b>	<b>37,451.86</b>	<b>37,467.26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>							
Long term borrowings	-	19,951.78	19,951.78	-	-	-	-
Short term borrowings	-	16,540.13	16,540.13	-	-	-	-
Trade and other payables	-	23,851.11	23,851.11	-	-	-	-
Other Current financial liabilities	-	8,944.81	8,944.81	-	-	-	-
	<b>-</b>	<b>69,287.83</b>	<b>69,287.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

March 31, 2016	Carrying amount			Fair Value			
	Fair value through Profit and Loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>							
Non-current investments - Unquoted equity shares*	18.70	-	18.70	-	-	-	-
Non Current Loans	-	20,448.14	20,448.14	-	-	-	-
Other non current financial assets	-	1,412.96	1,412.96	-	-	-	-
Trade and other receivables	-	13.74	13.74	-	-	-	-
Current Loans and Advances	-	12,767.89	12,767.89	-	-	-	-
Cash and cash equivalents	-	1,272.93	1,272.93	-	-	-	-
Bank Balances other than above	-	3,601.99	3,601.99	-	-	-	-
Other Current financial asset	-	8,289.31	8,289.31	-	-	-	-
	<b>18.70</b>	<b>47,806.96</b>	<b>47,825.66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>							
Long-term borrowings	-	22,145.99	22,145.99	-	-	-	-
Short term borrowings	-	21,128.22	21,128.22	-	-	-	-
Trade and other payables	-	37,454.59	37,454.59	-	-	-	-
Other Current financial liabilities	-	2,862.43	2,862.43	-	-	-	-
	<b>-</b>	<b>83,591.25</b>	<b>83,591.25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 31 – (CONTD.)

April 01, 2015	Carrying amount			Fair Value			
	Fair value through Profit and Loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>							
Non-current investments - Unquoted equity shares*	13.69	-	13.69	-	-	-	-
Non Current Loans	-	15,728.59	15,728.59	-	-	-	-
Other non current financial assets	-	1,237.06	1,237.06	-	-	-	-
Trade and other receivables	-	3,929.34	3,929.34	-	-	-	-
Current Loans and Advances	-	12,307.43	12,307.43	-	-	-	-
Cash and cash equivalents	-	799.36	799.36	-	-	-	-
Bank Balances other than above	-	3,034.94	3,034.94	-	-	-	-
Other Current financial asset	-	4,108.88	4,108.88	-	-	-	-
	<b>13.69</b>	<b>41,145.60</b>	<b>41,159.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>							
Long-term borrowings	-	16,520.01	16,520.01	-	-	-	-
Short term borrowings	-	17,834.89	17,834.89	-	-	-	-
Trade and other payables- Non Current	-	992.10	992.10	-	-	-	-
Trade and other payables- Current	-	36,699.69	36,699.69	-	-	-	-
Other Current financial liabilities	-	7,023.13	7,023.13	-	-	-	-
	<b>-</b>	<b>79,069.82</b>	<b>79,069.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*The fair value in respect of the unquoted equity investments cannot be reliably estimated. The Company has currently measured them at cost.

### NOTE 32 – FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

#### i. Risk management framework

The Company's board of directors is primarily responsible to develop and monitor Company's Risk Management framework. The Company has a risk management policy in place.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

#### ii. Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations,

Credit risk on its receivables is recognised on the statement of financial position at the carrying amount of those receivable assets, net of any provisions for doubtful debts. Receivable balances and deposit balances are monitored on a monthly basis with the result that the company's exposure to bad debts is not considered to be material.

The company has no significant concentrations of credit risk. It has policies in place to ensure that sales transactions are made to customers with an appropriate credit history.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 32 – FINANCIAL RISK MANAGEMENT (CONTD.)

The Company does not have any credit risk outside India.

#### Impairment

The ageing of trade and other receivables that were not impaired was as follows.

₹ in lakhs

Particulars	Carrying amount		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Neither past due nor impaired	432.33	13.74	3,043.34
Past due 1–30 days	904.81	-	886.00
Past due 31–90 days	1,759.89	-	-
Past due 91–120 days	436.54	-	-
Past due 121–180 days	-	-	-
Past due 181–360 days	-	-	-
More than 360 days	-	-	-
	<b>3,533.57</b>	<b>13.74</b>	<b>3,929.34</b>

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

#### Cash equivalents & Other bank balances/deposits

The Company held cash equivalents and other bank balances/deposits of INR 6,403.85 lakhs at March 31, 2017 (March 31, 2016: INR 5,816.37 lakhs, April 1, 2015 : INR 4,833.27 lakhs). The cash equivalents and other bank balances/deposits are held with bank counterparties with good credit ratings.

#### iii. Liquidity risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

#### Maturity pattern of Financial- Liabilities

₹ in lakhs

March 31, 2017	Carrying amount	Contractual cash flows				
		Total	0–1 year	1–2 years	2–5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Borrowings and Interest thereon	39,035.17	50,302.13	22,002.70	5,672.21	14,316.88	8,310.33
Trade payables	23,851.11	23,863.19	23,863.19	-	-	-
Other Payables	6,402.58	6,402.58	6,402.58	-	-	-
	<b>69,288.86</b>	<b>80,567.90</b>	<b>52,268.47</b>	<b>5,672.21</b>	<b>14,316.88</b>	<b>8,310.33</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 32 – FINANCIAL RISK MANAGEMENT (CONTD.)

₹ in lakhs

March 31, 2016	Carrying amount	Contractual cash flows				
		Total	0-1 year	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Borrowings and Interest thereon	44,317.67	59,887.36	25,966.03	4,533.00	16,227.51	13,160.82
Trade payables	37,454.59	37,481.24	37,481.24	-	-	-
Other Payables	1,818.96	1,818.96	1,818.96	-	-	-
	<b>83,591.22</b>	<b>99,187.56</b>	<b>65,266.23</b>	<b>4,533.00</b>	<b>16,227.51</b>	<b>13,160.82</b>

₹ in lakhs

April 01, 2015	Carrying amount	Contractual cash flows				
		Total	0-1 year	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Borrowings and Interest thereon	39,428.73	54,238.51	25,389.14	2,644.63	8,886.53	17,318.21
Trade payables	37,691.80	39,041.13	38,049.03	992.10	-	-
Other Payables	1,949.28	1,949.28	1,949.28	-	-	-
	<b>79,069.81</b>	<b>95,228.92</b>	<b>65,387.45</b>	<b>3,636.73</b>	<b>8,886.53</b>	<b>17,318.21</b>

#### iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### v. Currency risk:

The risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. Since company does not have any foreign exchange transactions, it is not exposed to this risk.

#### vi. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

#### Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings taken and issued at fixed and floating rates exposes company to fair value and cashflow interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 32 – FINANCIAL RISK MANAGEMENT (CONTD.)

#### vii. Interest rate risk (Contd.)

₹ in lakhs

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 01, 2015
<b>Fixed-rate instruments</b>			
Financial assets	10,375.83	35,336.54	24,139.80
Financial liabilities	(773.78)	(1,386.26)	(1,335.15)
	<b>9,602.05</b>	<b>33,950.28</b>	<b>22,804.65</b>
<b>Variable-rate instruments</b>			
Financial assets	-	-	-
Financial liabilities	(38,260.35)	(43,856.93)	(38,985.68)
	<b>(38,260.35)</b>	<b>(43,856.93)</b>	<b>(38,985.68)</b>
<b>Total</b>	<b>(28,658.30)</b>	<b>(9,906.65)</b>	<b>(16,181.03)</b>

#### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

₹ in lakhs

	Profit or loss	
	100 bp increase	100 bp decrease
<b>March 31, 2017</b>		
Variable-rate instruments	(382.60)	382.60
<b>Cash flow sensitivity (net)</b>	<b>(382.60)</b>	<b>382.60</b>
<b>March 31, 2016</b>		
Variable-rate instruments	(438.57)	438.57
<b>Cash flow sensitivity (net)</b>	<b>(438.57)</b>	<b>438.57</b>

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

#### viii. Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

₹ in lakhs

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 01, 2015
Non-Current Borrowings	22,494.00	23,189.46	21,593.84
Current Borrowings	16,540.13	21,128.22	17,834.89
<b>Gross Debt</b>	<b>39,034.13</b>	<b>44,317.68</b>	<b>39,428.73</b>
Less - Cash and Cash Equivalents	(1,924.81)	(1,272.93)	(799.36)
Less - Other Bank Deposits	(4,204.72)	(3,601.99)	(3,034.94)
<b>Adjusted net debt</b>	<b>32,904.60</b>	<b>39,442.77</b>	<b>35,594.43</b>
Total equity	60,101.31	58,751.47	25,396.22
Adjusted net debt to adjusted equity ratio	0.55	0.67	1.40

## Notes to Financial Statements as at 31st March, 2017

### NOTE 33 – EARNINGS PER SHARE

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

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit/(Loss) for basic and diluted earnings per share (A)	1,767.83	3,030.49
Weighted average number of equity shares (B)	162,569,191	158,522,269
<b>Basic earnings per share (Rs.) ( A / B )</b>	<b>1.09</b>	<b>1.91</b>
Weighted average number of equity shares outstanding during the year for the calculation of diluted earnings per share ( C )	162,569,191	158,522,269
<b>Diluted earnings per share (Rs.) ( A / C )</b>	<b>1.09</b>	<b>1.91</b>

### NOTE 34 – CAPITAL COMMITMENTS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Estimated amount of contracts remaining to be executed on capital account (net of advance)	2,049.77	961.51	0.61

### NOTE 35 – OPERATING LEASE COMMITMENTS

The Company had entered into operating lease agreement for premises, which it cancelled during the previous year. Rent expenses debited to the Statement of Profit and Loss in respect of the non-cancellable lease agreement is Rs. Nil during current year (previous year : Rs. 1.30 lakhs). Also, the Company has entered into operating lease agreement for equipments during the current year. Expenses for equipment leasing debited to the Statement of Profit and Loss is Rs. 30.22 lakhs (previous year : Rs. Nil) in respect of lease agreement. The future minimum lease payments in respect of these equipments as on 31 March 2017 is as below:

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Due not later than one year	360.12	-	8.33
Due later than one year but not later than five years	1,494.18	-	1.39
Later than five years	-	-	-
<b>Total</b>	<b>1,854.30</b>	<b>-</b>	<b>9.71</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 36 – CONTINGENT LIABILITIES

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Claims made against the Company not acknowledged as debts*	10,578.68	9,356.66	8,171.18
Bank guarantees	41,974.88	29,965.83	22,086.18
Corporate guarantee given on behalf of Indian subsidiaries Companies towards borrowings	546,662.95	323,090.00	346,289.50
<b>Total</b>	<b>599,216.51</b>	<b>362,412.49</b>	<b>376,546.86</b>

\*Claim against the Company not acknowledged as debts includes Rs. 8,171.18 lakhs (previous year : 8,171.18 lakhs ; April 1,2015 : 8171.18 lakhs) relates to taxability of toll collection pursuant to contracts with MSRDC and NHAI under the category of 'Business Auxiliary Services'. The Department had filed an appeal against the favourable order passed by the Commissioner of Service Tax, Mumbai - II. The matter is currently pending at CESTAT, Mumbai.

### NOTE 37 – SEGMENT INFORMATION

#### Primary business segments

The Group has organized its operations into two business segments: Toll Collection/Repairs and Maintenance and Construction.

#### Toll Collection:

Collection of toll as per the contracts entered with various Government authorities and providing road, repair and maintenance of flyovers, roads and allied structures to its subsidiaries.

#### Construction:

Construction of roads as per the Engineering, Procurement and Construction (EPC) Contracts entered into with its Joint Venture Companies.

The following tables present revenue and profit information regarding the business segments for the year ended March 31, 2017 and certain asset and liability information regarding industry segments as at March 31, 2017.

#### A. Information about reportable segments

₹ in lakhs

Particulars	Toll Collection/ Repairs & Maintenance	Construction	Total Segments
<b>Revenue</b>			
External Customers	71,747.43	6,336.90	78,084.33
Inter-segment	-	-	-
<b>Total Revenue</b>	<b>71,747.43</b>	<b>6,336.90</b>	<b>78,084.33</b>
<b>Segment profit / (loss) before exceptional items and tax</b>	<b>6,628.60</b>	<b>718.11</b>	<b>7,346.71</b>
<b>Segment profit / (loss) before exceptional items and tax includes:</b>			
Identifiable operating expenses	9,081.26	5,458.71	14,539.97
Allocated expenses	539.86	160.08	699.94
Depreciation and amortization	55,497.71		55,497.71
<b>Segment assets</b>	<b>120,397.82</b>	<b>66,895.86</b>	<b>187,293.68</b>
<b>Segment liabilities</b>	<b>58,858.37</b>	<b>68,334.01</b>	<b>127,192.38</b>
<b>Other disclosures</b>			
Capital expenditure	419.90	320.50	740.40

## Notes to Financial Statements as at 31st March, 2017

### NOTE 37 – SEGMENT INFORMATION (CONTD.)

#### B. Reconciliation of information on reportable segments to Ind AS

₹ in lakhs

Particulars	Note	As at March 31, 2017
(a) Profit / loss before tax		
Total profit before exceptional items and tax for reportable segments		7,346.71
Unallocated amounts:		
– Other Expenses		(7,585.67)
– Other Income		2,915.67
<b>Total profit before exceptional items and tax from operations</b>		<b>2,676.71</b>

#### For the year ended March 31, 2016

The Company has one reportable business segment which is toll collection and only one reportable geographical segment. All assets of the group are domiciled in India and the Company earn entire revenue from its operation in India. There is no single customer which contribute more than 10% of the revenue of the Company.

### NOTE 38 – RELATED PARTY DISCLOSURES

#### A) Names of related parties where control exists

<b>Holding Company</b>	Ideal Toll & Infrastructure Private Limited (Till 30th April, 2015)
<b>Subsidiary Companies</b>	MEP Infrastructure Private Limited Raima Ventures Private Limited Rideema Toll Private Limited MEP Nagzari Toll Road Private Limited MEP IRDP Solapur Toll Road Private Limited MEP Highway Solutions Private Limited Rideema Toll Bridge Private Limited Raima Toll Road Private Limited MEP Hyderabad Bangalore Toll Road Private Limited MEP Chennai Bypass Toll Road Private Limited MEP RGSL Toll Bridge Private Limited MEP Tormato Private Limited Raima Toll and Infrastructure Private Limited MEP Infraprojects Private Limited MEP Toll & Infrastructure Private Limited MEP Infra Constructions Private Limited Mhaskar Toll Road Private Limited MEP Roads & Bridges Private Limited MEP Foundation (6th July, 2016 onwards)
<b>Step down Subsidiaries</b>	Baramati Tollways Private Limited (a subsidiary of Rideema Toll Private Limited)
<b>Fellow Subsidiary Companies</b>	MEP Una Bus Terminal Private Limited (Till 30th April, 2015) MEP Hamirpur Bus Terminal Private Limited (Till 30th April, 2015) A J Tolls Private Limited (Till 30th April, 2015)
<b>Associate Concern</b>	Ideal Toll & Infrastructure Private Limited (1st May, 2015 onwards)

## Notes to Financial Statements as at 31st March, 2017

### NOTE 38 – STATEMENT OF RELATED PARTY TRANSACTIONS (CONTD.)

#### Jointly Controlled Entities

KVM Technology Solutions Private Limited  
 SMYR Consortium LLP  
 MEP Sanjose Arawali Kante Road Private Limited  
 MEP Sanjose Kante Waked Road Private Limited  
 MEP Sanjose Nagpur Ring Road 2 Private Limited  
 MEP Nagpur Ring Road 1 Private Limited  
 MEP Sanjose Mahuva Kagavadar Road Private Limited  
 MEP Sanjose Talaja Mahuva Road Private Limited

#### Other related parties with whom transactions have taken place during the year

##### Key management personnel (KMP)

Mr. Jayant.Mhaiskar  
 Mr. Murzash Manekshana

##### Enterprises owned or significantly influenced / controlled by key management personnel or their relatives where there are transactions.

IEPL Power Trading Company Private Limited  
 Ideal Energy Projects Limited  
 MEP Toll Gates Private Limited  
 VCR Toll Services Private Limited  
 MEP Infracon Private Limited  
 Rideema Enterprises.  
 Jan Transport  
 D S Enterprises

### B. Disclosures of material transactions with related parties and balances

₹ in lakhs

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
<b>I) Transactions during the year</b>												
<b>Remuneration</b>												
Mr. Murzash Manekshana	-	-	-	-	124.68	130.27	-	-	-	-	124.68	130.27
Mr. Jayant Mhaiskar	-	-	-	-	123.65	132.90	-	-	-	-	123.65	132.90
Mr. M. Sankaranarayanan	-	-	-	-	59.93	54.70	-	-	-	-	59.93	54.70
Mr. Shridhar Phadke	-	-	-	-	19.85	15.86	-	-	-	-	19.85	15.86
<b>Loans given</b>												
Rideema Toll Private Limited	-	-	29.63	1,770.30	-	-	-	-	-	-	29.63	1,770.30
Rideema Toll Bridge Private Limited	-	-	1,251.73	414.89	-	-	-	-	-	-	1,251.73	414.89
Raima Toll and Infrastructure Private Limited	-	-	2,275.00	1,283.00	-	-	-	-	-	-	2,275.00	1,283.00
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	2.50	-	-	-	-	-	-	-	2.50	-
Raima Toll Road Private Limited	-	-	334.95	1,920.26	-	-	-	-	-	-	334.95	1,920.26
Baramati Tollways Private Limited	-	-	399.00	889.00	-	-	-	-	-	-	399.00	889.00
MEP Highway Solutions Private Limited	-	-	3,305.80	4,530.59	-	-	-	-	-	-	3,305.80	4,530.59
MEP Nagzari Toll Road Private Limited	-	-	-	292.93	-	-	-	-	-	-	-	292.93
MEP IRDP Solapur Toll Road Private Limited	-	-	-	3.05	-	-	-	-	-	-	-	3.05

## Notes to Financial Statements as at 31st March, 2017

### NOTE 38 – STATEMENT OF RELATED PARTY TRANSACTIONS (CONTD.)

₹ in lakhs

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
MEP RGSL Toll Bridge Private Limited	-	-	970.59	25.00	-	-	-	-	-	-	970.59	25.00
MEP Infra Construction Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
MEP Infra Projects Private Limited	-	-	79.27	1.00	-	-	-	-	-	-	79.27	1.00
MEP Toll & Infrastructure Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
Mhaisker Toll Road Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
MEP Tormato Private Limited	-	-	921.39	4,142.89	-	-	-	-	-	-	921.39	4,142.89
Raima Venture Private Limited	-	-	1.42	52.00	-	-	-	-	-	-	1.42	52.00
<b>Repayment of loans given</b>												
Rideema Toll Private Limited	-	-	131.71	245.50	-	-	-	-	-	-	131.71	245.50
Rideema Toll Bridge Private Limited	-	-	1,064.31	1,311.59	-	-	-	-	-	-	1,064.31	1,311.59
Raima Toll and Infrastructure Private Limited	-	-	2,230.59	1,283.00	-	-	-	-	-	-	2,230.59	1,283.00
MEP Chennai Bypass Toll Road Private Limited	-	-	-	501.50	-	-	-	-	-	-	-	501.50
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	2,651.09	464.19	-	-	-	-	-	-	2,651.09	464.19
Raima Toll Road Private Limited	-	-	4,955.30	125.26	-	-	-	-	-	-	4,955.30	125.26
Baramati Tollways Private Limited	-	-	266.77	-	-	-	-	-	-	-	266.77	-
MEP Nagzari Toll Road Private Limited	-	-	0.75	-	-	-	-	-	-	-	0.75	-
MEP Highway Solutions Private Limited	-	-	12,660.41	2,354.80	-	-	-	-	-	-	12,660.41	2,354.80
MEP IRDP Solapur Toll Road Private Limited	-	-	3.05	110.00	-	-	-	-	-	-	3.05	110.00
MEP RGSL Toll Bridge Private Limited	-	-	970.59	108.29	-	-	-	-	-	-	970.59	108.29
MEP Infra Construction Private Limited	-	-	0.81	-	-	-	-	-	-	-	0.81	-
MEP Infra Projects Private Limited	-	-	0.92	-	-	-	-	-	-	-	0.92	-
MEP Toll & Infrastructure Private Limited	-	-	0.81	-	-	-	-	-	-	-	0.81	-
Mhaisker Toll Road Private Limited	-	-	0.90	-	-	-	-	-	-	-	0.90	-
MEP Hamirpur Bus Terminal Private Limited	-	-	-	-	-	-	-	0.61	-	-	-	0.61
MEP Una Bus Terminal Private Limited	-	-	-	-	-	-	-	1.92	-	-	-	1.92
MEP Tormato Private Limited	-	-	2,264.62	1,300.00	-	-	-	-	-	-	2,264.62	1,300.00
Raima Ventures Private Limited	-	-	13.12	40.00	-	-	-	-	-	-	13.12	40.00
<b>Repayment of Loan taken</b>												
Mr. Jayant D. Mhaiskar	-	-	-	-	25.82	74.18	-	-	-	-	25.82	74.18
<b>Mobilisation Advances taken</b>												
MEP Infrastructure Private Limited	-	-	18,293.72	8,423.86	-	-	-	-	-	-	18,293.72	8,423.86
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	8,451.49	-	8,451.49	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	8,958.51	-	8,958.51	-
MEP Sanjose Arawali Kante Road Private Limited	-	-	-	-	-	-	-	-	7,164.80	-	7,164.80	-
MEP Sanjose Kante Waked Road Private Limited	-	-	-	-	-	-	-	-	8,923.98	-	8,923.98	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	-	-	877.55	-	877.55	-

## Notes to Financial Statements as at 31st March, 2017

### NOTE 38 – STATEMENT OF RELATED PARTY TRANSACTIONS (CONTD.)

₹ in lakhs

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-	-	-	-	-	-	-	361.22	-	361.22	-
<b>Adjustment of Advance taken</b>												
MEP Infrastructure Private Limited (Mobilisation Advance)	-	-	-	995.68	-	-	-	-	-	-	-	995.68
<b>Repayment of Mobilisation advances taken</b>												
MEP Infrastructure Private Limited	-	-	11,783.02	3,142.97	-	-	-	-	-	-	11,783.02	3,142.97
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	1,171.52	-	1,171.52	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	165.02	-	165.02	-
<b>Advances given</b>												
Ideal Toll & Infrastructure Private Limited	1,864.00	203.20	-	-	-	-	-	-	-	-	1,864.00	203.20
<b>Repayment of advances given</b>												
Ideal Toll & Infrastructure Private Limited	2,030.00	433.73	-	-	-	-	-	-	-	-	2,030.00	433.73
<b>Margin money/ Performance security received</b>												
MEP RGSL Toll Bridge Private Limited	-	-	-	63.25	-	-	-	-	-	-	-	63.25
<b>Repayment of Margin money/ Performance security received</b>												
MEP Roads & Bridges Private Limited	-	-	0.00	407.58	-	-	-	-	-	-	0.00	407.58
<b>Share application money paid</b>												
MEP Infrastructure Private Limited	-	-	-	26,228.23	-	-	-	-	-	-	-	26,228.23
Rideema Toll Bridge Private Limited	-	-	-	1,000.00	-	-	-	-	-	-	-	1,000.00
Raima Toll Road Private Limited	-	-	-	1,416.50	-	-	-	-	-	-	-	1,416.50
MEP Highway Solutions Private Limited	-	-	-	164.00	-	-	-	-	-	-	-	164.00
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	2,730.50	-	-	-	-	-	-	-	2,730.50
MEP Chennai Bypass Toll Road Private Limited	-	-	-	116.00	-	-	-	-	-	-	-	116.00
MEP Tormato Private Limited	-	-	-	1,300.00	-	-	-	-	-	-	-	1,300.00
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	11,570.64	-	11,570.64	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	12,371.85	-	12,371.85	-
MEP Sanjose Arawali Kante Road Private Limited	-	-	-	-	-	-	-	-	7,116.49	-	7,116.49	-
MEP Sanjose Kante Waked Road Private Limited	-	-	-	-	-	-	-	-	9,312.94	-	9,312.94	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	-	-	5,787.12	-	5,787.12	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-	-	-	-	-	-	-	5,511.63	-	5,511.63	-
<b>Share application money paid returned back</b>												
MEP Infrastructure Private Limited	-	-	-	0.23	-	-	-	-	-	-	-	0.23
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	1,474.00	-	-	-	-	-	-	-	1,474.00
Rideema Toll Bridge Private Limited	-	-	-	1,000.00	-	-	-	-	-	-	-	1,000.00

## Notes to Financial Statements as at 31st March, 2017

### NOTE 38 – STATEMENT OF RELATED PARTY TRANSACTIONS (CONTD.)

₹ in lakhs

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Raima Toll Road Private Limited	-	-	-	1,000.00	-	-	-	-	-	-	-	1,000.00
Baramati Tollways Private Limited	-	-	-	6.00	-	-	-	-	-	-	-	6.00
MEP Highway Solutions Private Limited	-	-	-	164.00	-	-	-	-	-	-	-	164.00
MEP Toll Gates Pvt. Ltd.	-	-	-	-	-	-	-	0.16	-	-	-	0.16
MEP Chennai Bypass Toll Road Private Limited	-	-	-	116.00	-	-	-	-	-	-	-	116.00
MEP Tormato Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	9,558.85	-	9,558.85	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	10,394.92	-	10,394.92	-
MEP Sanjose Arawali Kante Road Private Limited	-	-	-	-	-	-	-	-	7,006.39	-	7,006.39	-
MEP Sanjose Kante Waked Road Private Limited	-	-	-	-	-	-	-	-	9,183.74	-	9,183.74	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	-	-	4,309.52	-	4,309.52	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-	-	-	-	-	-	-	4,891.01	-	4,891.01	-
Rideema Toll Private Limited	-	-	114.98	-	-	-	-	-	-	-	-	114.98
Mr. Jayant Mhaskar	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of shares of Raima Toll Road Private Limited	-	-	-	916.50	-	-	-	-	-	-	-	916.50
Purchase of shares of MEP Highway Solutions Private Limited	-	-	-	164.00	-	-	-	-	-	-	-	164.00
Purchase of shares of MEP Infrastructure Private Limited	-	-	-	26,228.00	-	-	-	-	-	-	-	26,228.00
Purchase of shares of Rideema Toll Bridge Private Limited	-	-	-	1,000.00	-	-	-	-	-	-	-	1,000.00
Purchase of shares of MEP Tormato Private Limited	-	-	-	1,299.00	-	-	-	-	-	-	-	1,299.00
Purchase of shares of MEP Chennai Bypass Toll Road Private Limited	-	-	-	116.00	-	-	-	-	-	-	-	116.00
Purchase of shares of MEP Foundation	-	-	1.00	-	-	-	-	-	-	-	-	1.00
Purchase of shares of MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	1,506.51	-	-	-	-	-	-	-	1,506.51
Purchase of shares of MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	2,960.74	-	2,960.74	-
Purchase of shares of MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	3,572.66	-	3,572.66	-
Purchase of shares of MEP Sanjose Arawali Kante Road Private Limited	-	-	-	-	-	-	-	-	3,291.74	-	3,291.74	-
Purchase of shares of MEP Sanjose Kante Waked Road Private Limited	-	-	-	-	-	-	-	-	4,586.74	-	4,586.74	-
Purchase of shares of MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	-	-	0.60	-	0.60	-
Purchase of shares of MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-	-	-	-	-	-	-	0.60	-	0.60	-
<b>Sale of investment (Equity contribution)</b>												
A J Tolls Private Limited	-	-	-	-	-	-	-	3.30	-	-	3.30	-
<b>Investment in preference shares</b>												

## Notes to Financial Statements as at 31st March, 2017

### NOTE 38 – STATEMENT OF RELATED PARTY TRANSACTIONS (CONTD.)

₹ in lakhs

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
<b>Investment</b>												
SMYR Consortium LLP	-	-	-	-	-	-	-	-	-	5.00	-	5.00
<b>Expenses incurred on our behalf by</b>												
MEP Infrastructure Private Limited	-	-	-	123.63	-	-	-	-	-	-	-	123.63
MEP RGSL Toll Bridge Private Limited	-	-	9.98	-	-	-	-	-	-	-	9.98	-
MEP Highway Solutions Private Limited	-	-	45.92	-	-	-	-	-	-	-	45.92	-
MEP Chennai Bypass Toll Road Private Limited	-	-	0.24	-	-	-	-	-	-	-	0.24	-
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	104.09	-	-	-	-	-	-	-	104.09
Raima Toll and Infrastructure Private Limited	-	-	27.39	49.13	-	-	-	-	-	-	27.39	49.13
Baramati Tollways Private Limited	-	-	-	3.40	-	-	-	-	-	-	-	3.40
Ideal Toll & Infrastructure Private Limited	-	7.83	-	-	-	-	-	-	-	-	-	7.83
MEP Roads & Bridges Private Limited	-	-	-	1.16	-	-	-	-	-	-	-	1.16
Raima Toll Road Private Limited	-	-	27.12	199.47	-	-	-	-	-	-	27.12	199.47
Raima Ventures Private Limited	-	-	-	1.65	-	-	-	-	-	-	-	1.65
Rideema Toll Bridge Private Limited	-	-	39.11	83.17	-	-	-	-	-	-	39.11	83.17
MEP Foundation	-	-	46.67	-	-	-	-	-	-	-	46.67	-
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	110.55	-	110.55	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	255.68	-	255.68	-
MEP Sanjose Kante Waked Road Private Limited	-	-	-	-	-	-	-	-	2.02	-	2.02	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	-	-	19.09	-	19.09	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-	-	-	-	-	-	-	7.37	-	7.37	-
<b>Expenses incurred on behalf of</b>												
Ideal Toll & Infrastructure Private Limited	1.51	1.58	-	-	-	-	-	-	-	-	1.51	1.58
MEP Infrastructure Private Limited	-	-	230.91	0.33	-	-	-	-	-	-	230.91	0.33
Baramati Tollways Private Limited	-	-	23.60	27.44	-	-	-	-	-	-	23.60	27.44
Raima Ventures Private Limited	-	-	2.07	359.38	-	-	-	-	-	-	2.07	359.38
Rideema Toll Bridge Private Limited	-	-	0.86	17.16	-	-	-	-	-	-	0.86	17.16
MEP Chennai Bypass Toll Road Private Limited	-	-	100.21	330.15	-	-	-	-	-	-	100.21	330.15
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	64.75	0.04	-	-	-	-	-	-	64.75	0.04
MEP IRDP Solapur Toll Road Private Limited	-	-	29.40	51.82	-	-	-	-	-	-	29.40	51.82
Raima Toll Road Private Limited	-	-	5.99	0.04	-	-	-	-	-	-	5.99	0.04
Raima Toll and Infrastructure Private Limited	-	-	40.76	678.83	-	-	-	-	-	-	40.76	678.83
MEP Nagzari Toll Road Private Limited	-	-	4.53	-	-	-	-	-	-	-	4.53	-
MEP Roads & Bridges Private Limited	-	-	-	47.45	-	-	-	-	-	-	-	47.45
MEP RGSL Toll Bridge Private Limited	-	-	251.41	121.59	-	-	-	-	-	-	251.41	121.59

## Notes to Financial Statements as at 31st March, 2017

### NOTE 38 – STATEMENT OF RELATED PARTY TRANSACTIONS (CONTD.)

₹ in lakhs

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
MEP Highway Solutions Private Limited	-	-	0.41	122.17	-	-	-	-	-	-	0.41	122.17
MEP Tormato Private Limited	-	-	48.76	67.26	-	-	-	-	-	-	48.76	67.26
MEP Infracon Private Limited	-	-	-	-	-	-	-	0.10	-	-	-	0.10
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	147.67	-	147.67	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	109.35	-	109.35	-
MEP Sanjose Arawali Kante Road Private Limited	-	-	-	-	-	-	-	-	227.09	-	227.09	-
MEP Sanjose Kante Waked Road Private Limited	-	-	-	-	-	-	-	-	307.76	-	307.76	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	-	-	106.45	-	106.45	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-	-	-	-	-	-	-	60.71	-	60.71	-
VCR Toll Services Private Limited	-	-	-	-	-	-	-	7.02	-	-	-	7.02
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	0.24	-	0.24	-
Jan Transport	-	-	-	-	-	-	-	3.00	-	-	-	3.00
SMYR Consortium LLP	-	-	-	-	-	-	-	-	0.86	1,388.75	0.86	1,388.75
<b>Toll Attendant Charges</b>												
D S Enterprises	-	-	-	-	-	-	414.00	-	-	-	414.00	-
<b>Penal Charges</b>												
D S Enterprises	-	-	-	-	-	-	600.18	-	-	-	600.18	-
<b>Facility fees</b>												
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	-	180.00	-	180.00
MEP RGSL Toll Bridge Private Limited	-	-	-	215.80	-	-	-	-	-	-	-	215.80
Raima Toll and Infrastructure Private Limited	-	-	-	250.00	-	-	-	-	-	-	-	250.00
Raima Ventures Private Limited	-	-	-	138.00	-	-	-	-	-	-	-	138.00
<b>Interest Income</b>												
Baramati Tollways Private Limited	-	-	122.79	58.29	-	-	-	-	-	-	122.79	58.29
Rideema Toll Bridge Private Limited	-	-	21.63	98.03	-	-	-	-	-	-	21.63	98.03
Rideema Toll Private Limited	-	-	447.93	767.37	-	-	-	-	-	-	447.93	767.37
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	256.34	399.41	-	-	-	-	-	-	256.34	399.41
MEP Chennai Bypass Toll Road Private Limited	-	-	-	16.25	-	-	-	-	-	-	-	16.25
MEP Nagzari Toll Road Private Limited	-	-	44.77	76.49	-	-	-	-	-	-	44.77	76.49
MEP IRDP Solapur Toll Road Private Limited	-	-	0.03	3.01	-	-	-	-	-	-	0.03	3.01
MEP Highway Solutions Private Limited	-	-	888.61	1,062.99	-	-	-	-	-	-	888.61	1,062.99
Raima Toll Road Private Limited	-	-	305.62	369.63	-	-	-	-	-	-	305.62	369.63
Raima Toll and Infrastructure Private Limited	-	-	2.11	14.92	-	-	-	-	-	-	2.11	14.92
MEP RGSL Toll Bridge Private Limited	-	-	4.93	6.88	-	-	-	-	-	-	4.93	6.88
MEP Tormato Private Limited	-	-	205.94	385.29	-	-	-	-	-	-	205.94	385.29
Raima Ventures Private Limited	-	-	0.13	2.91	-	-	-	-	-	-	0.13	2.91

## Notes to Financial Statements as at 31st March, 2017

### NOTE 38 – STATEMENT OF RELATED PARTY TRANSACTIONS (CONTD.)

₹ in lakhs

	Associate Concern		Subsidiary		Key Managerial Personnel		Enterprises over which significant influence is exercised by key managerial personnel		Jointly Controlled Entity		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
<b>Income from toll collection</b>												
D S Enterprises	-	-	-	-	-	-	8,362.72	-	-	-	8,362.72	-
MEP Roads & Bridges Private Limited	-	-	-	3,671.75	-	-	-	-	-	-	-	3,671.75
<b>Road repairing charges received</b>												
MEP Infrastructure Private Limited	-	-	7,039.47	5,363.43	-	-	-	-	-	-	7,039.47	5,363.43
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	491.00	-	491.00	-
MEP Sanjose Arawali Kante Private Limited	-	-	-	-	-	-	-	-	336.02	-	336.02	-
MEP Sanjose Kante Waked Road Private Limited	-	-	-	-	-	-	-	-	347.20	-	347.20	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-	-	-	-	-	-	-	348.32	-	348.32	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	500.00	-	500.00	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	-	-	420.14	-	420.14	-
<b>Construction Revenue</b>												
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	3,911.80	-	3,911.80	-
MEP Sanjose Arawali Kante Private Limited	-	-	-	-	-	-	-	-	299.67	-	299.67	-
MEP Sanjose Kante Waked Road Private Limited	-	-	-	-	-	-	-	-	42.47	-	42.47	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-	-	-	-	-	-	-	45.06	-	45.06	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	1,985.55	-	1,985.55	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	-	-	52.35	-	52.35	-
<b>Guarantees given on behalf of</b>												
MEP Infrastructure Private Limited	-	-	26,900.00	-	-	-	-	-	-	-	26,900.00	-
Rideema Toll Bridge Private Limited	-	-	5,020.00	-	-	-	-	-	-	-	5,020.00	-
MEP Tormato Private Limited	-	-	-	5,000.00	-	-	-	-	-	-	-	5,000.00

### Compensation to key managerial personnel of the Company

₹ in lakhs

Nature of Benefits	For the year ended	For the year ended
	March 31, 2017	March 31, 2016
<b>Short Term Employee Benefits</b>		
Mr. Jayant Mhaiskar	120.00	130.00
Mr. Murzash Manekshana	120.00	126.37
Mr. M. Sankaranarayanan	56.14	52.01
Mr. Shridhar Phadke	17.15	14.54
<b>Post-employment Benefits</b>		
Mr. Jayant Mhaiskar	3.65	2.90
Mr. Murzash Manekshana	4.68	3.90
Mr. M. Sankaranarayanan	3.78	2.69
Mr. Shridhar Phadke	2.70	1.32
<b>Total Compensation paid to key managerial personnel</b>	<b>328.10</b>	<b>333.73</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 38 – STATEMENT OF RELATED PARTY TRANSACTIONS (CONTD.)

₹ in lakhs

	Associate Concern			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Jointly Controlled Entity			Total		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
<b>II) Balances at the end of the year</b>																		
Loans given																		
MEP Hamirpur Bus Terminal Private Limited	-	-	-	-	-	-	-	-	-	-	-	0.61	-	-	-	-	-	0.61
MEP Una Bus Terminal Private Limited	-	-	-	-	-	-	-	-	-	-	-	1.92	-	-	-	-	-	1.92
Raima Toll Road Private Limited	-	-	-	13.17	4,633.52	2,838.51	-	-	-	-	-	-	-	-	-	13.17	4,633.52	2,838.51
Rideema Toll Private Limited	-	-	-	6,810.39	6,912.48	5,387.68	-	-	-	-	-	-	-	-	-	6,810.39	6,912.48	5,387.68
Rideema Toll Bridge Private Limited	-	-	-	261.33	73.91	970.60	-	-	-	-	-	-	-	-	-	261.33	73.91	970.60
Raima Toll and Infrastructure Private Limited	-	-	-	44.41	-	-	-	-	-	-	-	-	-	-	-	44.41	-	-
Baramati Tollways Private Limited	-	-	-	1,154.65	1,122.26	233.26	-	-	-	-	-	-	-	-	-	1,154.65	1,122.26	233.26
MEP Highway Solutions Private Limited	-	-	-	25.00	9,379.61	7,203.82	-	-	-	-	-	-	-	-	-	25.00	9,379.61	7,203.82
MEP Chennai Bypass Toll Road Private Limited	-	-	-	-	-	501.50	-	-	-	-	-	-	-	-	-	-	-	501.50
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	-	2,648.59	3,112.78	-	-	-	-	-	-	-	-	-	-	2,648.59	3,112.78
MEP IRDP Solapur Toll Road Private Limited	-	-	-	-	3.05	110.00	-	-	-	-	-	-	-	-	-	-	3.05	110.00
MEP RGSJ Toll Bridge Private Limited	-	-	-	-	-	83.29	-	-	-	-	-	-	-	-	-	-	-	83.29
MEP Nagzari Toll Road Private Limited	-	-	-	686.07	686.82	393.89	-	-	-	-	-	-	-	-	-	686.07	686.82	393.89
Raima Ventures Private Limited	-	-	-	0.30	12.00	-	-	-	-	-	-	-	-	-	-	0.30	12.00	-
MEP Infra Construction Private Limited	-	-	-	0.19	1.00	-	-	-	-	-	-	-	-	-	-	0.19	1.00	-
MEP Infra projects Private Limited	-	-	-	79.35	1.00	-	-	-	-	-	-	-	-	-	-	79.35	1.00	-
MEP Toll & Infrastructure Private Limited	-	-	-	0.19	1.00	-	-	-	-	-	-	-	-	-	-	0.19	1.00	-
MEP Tormato Private Limited	-	-	-	1,268.48	2,842.89	-	-	-	-	-	-	-	-	-	-	1,268.48	2,842.89	-
Mhaiskar Toll Road Private Limited	-	-	-	0.10	1.00	-	-	-	-	-	-	-	-	-	-	0.10	1.00	-
<b>Capital Advances given</b>																		
Ideal Toll & Infrastructure Private Limited	2,297.77	2,463.77	2,694.30	-	-	-	-	-	-	-	-	-	-	-	-	2,297.77	2,463.77	2,694.30
<b>Advances recoverable in cash or kind</b>																		

**Notes to Financial Statements** as at 31st March, 2017  
**NOTE 38 – STATEMENT OF RELATED PARTY TRANSACTIONS (CONTD.)**

₹ in lakhs

	Associate Concern			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Jointly Controlled Entity			Total		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Jan Transport	-	-	-	-	-	-	-	-	-	3.00	3.00	-	-	-	3.00	3.00	-	-
<b>Advance against acquisition of shares</b>																		
Rideema Toll Private Limited	-	-	-	-	114.98	114.98	-	-	-	-	-	-	-	-	-	114.98	114.98	-
Rideema Toll Bridge Private Limited	-	-	-	-	1,000.00	1,000.00	-	-	-	-	-	-	-	-	-	-	1,000.00	-
Raima Toll Road Private Limited	-	-	-	-	500.00	500.00	-	-	-	-	-	-	-	-	-	-	500.00	-
MEP Toll Gates Private Limited	-	-	-	-	-	-	-	-	0.16	-	-	-	-	-	-	-	0.16	-
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	-	250.00	250.00	-	-	-	-	-	-	-	-	-	-	250.00	-
MEP Chennai Bypass Toll Road Private Limited	-	-	-	-	116.00	116.00	-	-	-	-	-	-	-	-	-	-	116.00	-
Baramati Tollways Private Limited	-	-	-	-	6.00	6.00	-	-	-	-	-	-	-	-	-	-	6.00	-
MEP Highway Solutions Private Limited	-	-	-	-	164.00	164.00	-	-	-	-	-	-	-	-	-	-	164.00	-
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	2,011.79	-	-	-	-	-	-	-	-	2,011.79	-	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	1,976.94	-	-	-	-	-	-	-	-	1,976.94	-	-
MEP Sanjose Arawali Karnte Road Private Limited	-	-	-	-	-	-	110.10	-	-	-	-	-	-	-	-	110.10	-	-
MEP Sanjose Karnte Waked Road Private Limited	-	-	-	-	-	-	129.20	-	-	-	-	-	-	-	-	129.20	-	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	1,477.61	-	-	-	-	-	-	-	-	1,477.61	-	-
MEP Sanjose Wahuva Kagavadar Road Private Limited	-	-	-	-	-	-	620.62	-	-	-	-	-	-	-	-	620.62	-	-
<b>Mobilisation Advances taken</b>																		
MEP Infrastructure Private Limited	-	-	-	23,551.92	17,041.22	12,756.00	-	-	-	-	-	-	-	-	-	23,551.92	17,041.22	12,756.00
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	7,279.98	-	-	-	-	-	-	-	-	7,279.98	-	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	8,793.49	-	-	-	-	-	-	-	-	8,793.49	-	-
MEP Sanjose Arawali Karnte Road Private Limited	-	-	-	-	-	-	7,164.80	-	-	-	-	-	-	-	-	7,164.80	-	-
MEP Sanjose Karnte Waked Road Private Limited	-	-	-	-	-	-	8,923.98	-	-	-	-	-	-	-	-	8,923.98	-	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	877.55	-	-	-	-	-	-	-	-	877.55	-	-
MEP Sanjose Wahuva Kagavadar Road Private Limited	-	-	-	-	-	-	361.22	-	-	-	-	-	-	-	-	361.22	-	-

## Notes to Financial Statements as at 31st March, 2017

### NOTE 38 – STATEMENT OF RELATED PARTY TRANSACTIONS (CONTD.)

₹ in lakhs

	Associate Concern			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Jointly Controlled Entity			Total			
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	
<b>Guarantees given on behalf of</b>																			
Raima Ventures Private Limited	-	-	-	-	-	15,000.00	-	-	-	-	-	-	-	-	-	-	-	15,000.00	-
Baramati Tollways Private Limited	-	-	-	5,941.00	5,941.00	5,941.00	-	-	-	-	-	-	-	-	-	5,941.00	5,941.00	5,941.00	-
MEP Infrastructure Private Limited	-	-	-	302,757.00	275,857.00	275,857.00	-	-	-	-	-	-	-	-	-	302,757.00	275,857.00	275,857.00	-
MEP IRDP Solapur Toll Road Private Limited	-	-	-	-	-	637.50	-	-	-	-	-	-	-	-	-	-	-	637.50	-
MEP Nagzari Toll Road Private Limited	-	-	-	-	-	837.50	-	-	-	-	-	-	-	-	-	-	-	837.50	-
Raima Toll Road Private Limited	-	-	-	6,480.00	6,480.00	8,050.00	-	-	-	-	-	-	-	-	-	6,480.00	6,480.00	8,050.00	-
MEP RGSLL Toll Bridge Private Limited	-	-	-	1,300.00	4,000.00	4,000.00	-	-	-	-	-	-	-	-	-	1,300.00	4,000.00	4,000.00	-
Raima Toll and Infrastructure Private Limited	-	-	-	2,808.00	4,808.00	4,808.00	-	-	-	-	-	-	-	-	-	2,808.00	4,808.00	4,808.00	-
Rideema Toll Bridge Private Limited	-	-	-	17,540.00	12,520.00	22,160.00	-	-	-	-	-	-	-	-	-	17,540.00	12,520.00	22,160.00	-
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	8,360.00	8,360.00	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	-	-	-	-	-	-	-	-	-	-	-	124.00	-
MEP Sanjose Manuva Kagavdar Road Pvt. Ltd	-	-	-	-	-	-	-	-	-	-	-	-	3,024.00	-	-	3,024.00	-	-	-
MEP Tormato Private Limited	-	-	-	5,000.00	5,000.00	5,000.00	-	-	-	-	-	-	-	-	-	5,000.00	5,000.00	-	-
<b>Loans taken from the related parties</b>																			
Mr. Jayant Mhaiskar	-	-	-	-	-	-	-	25.82	100.00	-	-	-	-	-	-	-	-	25.82	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	-
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	1,144.86	-	-	1,144.86	-	-	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	883.34	-	-	883.34	-	-	-
MEP Sanjose Arawali Kanite Road Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	329.30	-	-	329.30	-	-	-
MEP Sanjose Kanite Waklad Road Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	340.25	-	-	340.25	-	-	-

**Notes to Financial Statements** as at 31st March, 2017  
**NOTE 38 – STATEMENT OF RELATED PARTY TRANSACTIONS (CONTD.)**

₹ in lakhs

	Associate Concern			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Jointly Controlled Entity			Total		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
MEP Sanjose Talaja-Mahuva Road Private Limited													411.74			411.74		
MEP Sanjose Mahuva-Kagavadar Road Private Limited													341.35			341.35		
D S Enterprises	-	-	-	-	-	-	42.28	-	2,551.53	-	-	42.28	-	-	-	42.28	-	2,551.53
<b>Other receivables</b>																		
Ideal Toll Et Infrastructure Private Limited	-	-	160.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	160.80
Baramati Tollways Private Limited	-	-	-	188.59	164.99	140.95	-	-	-	-	-	-	-	-	-	188.59	164.99	140.95
Rideema Toll Bridge Private Limited	-	-	-	-	-	89.45	-	-	-	-	-	-	-	-	-	-	-	89.45
MEP Infrastructure Private Limited	-	-	-	159.12	-	-	-	-	-	-	-	-	-	-	-	159.12	-	-
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	-	161.78	294.04	399.34	-	-	-	-	-	-	-	-	-	161.78	294.04	399.34
MEP Chennai Bypass Toll Road Private Limited	-	-	-	393.03	369.55	142.29	-	-	-	-	-	-	-	-	-	393.03	369.55	142.29
MEP Nagzari Toll Road Private Limited	-	-	-	97.13	92.60	92.60	-	-	-	-	-	-	-	-	-	97.13	92.60	92.60
Raima Toll Road Private Limited	-	-	-	-	-	117.45	-	-	-	-	-	-	-	-	-	-	-	117.45
Raima Ventures Private Limited	-	-	-	23.27	107.57	185.17	-	-	-	-	-	-	-	-	-	23.27	107.57	185.17
Raima Toll and Infrastructure Private Limited	-	-	-	-	575.26	113.87	-	-	-	-	-	-	-	-	-	-	575.26	113.87
MEP RGSLL Toll Bridge Private Limited	-	-	-	-	272.56	-	-	-	-	-	-	-	-	-	-	-	272.56	-
MEP IRDP Solapur Toll Road Private Limited	-	-	-	10.92	25.36	90.46	-	-	-	-	-	-	-	-	-	10.92	25.36	90.46
MEP Highway Solutions Private Limited	-	-	-	-	254.30	132.13	-	-	-	-	-	-	-	-	-	-	254.30	132.13
VCR Toll Services Private Limited	-	-	-	-	-	-	18.76	18.76	11.74	-	-	-	-	-	-	18.76	18.76	11.74
KVM Technology Solutions Private Limited	-	-	-	-	-	-	-	-	-	202.74	202.50	5.77	-	-	-	202.74	202.50	5.77
SMYR Consortium LLP	-	-	-	-	-	-	-	-	-	710.14	709.27	-	-	-	-	710.14	709.27	-
MEP Toramoto Private Limited	-	-	-	87.31	38.54	-	-	-	-	-	-	-	-	-	-	87.31	38.54	-
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	-	158.56	-	-	-	-	-	158.56	-	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	-	47.84	-	-	-	-	-	47.84	-	-
MEP Sanjose Akawali Kanite Road Private Limited	-	-	-	-	-	-	-	-	-	225.90	-	-	-	-	-	225.90	-	-
MEP Sanjose Kanite Walked Road Private Limited	-	-	-	-	-	-	-	-	-	305.73	-	-	-	-	-	305.73	-	-

## Notes to Financial Statements as at 31st March, 2017

### NOTE 38 – STATEMENT OF RELATED PARTY TRANSACTIONS (CONTD.)

₹ in lakhs

	Associate Concern			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Jointly Controlled Entity			Total	
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2016	1 April 2015
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	87.37	-	-	-	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	48.34	-	-	-	-
<b>Interest receivable on loans given</b>																	
Baramati Tollways Private Limited	-	-	96.60	77.77	151.89	96.60	-	-	-	-	-	-	-	-	-	151.89	96.60
MEP Hyderabad Bangalore Toll Road Private Limited	-	-	376.47	219.97	772.20	376.47	-	-	-	-	-	-	-	-	-	772.20	376.47
MEP Chennai Bypass Toll Road Private Limited	-	-	52.78	-	68.88	52.78	-	-	-	-	-	-	-	-	-	68.88	52.78
MEP Nagzari Toll Road Private Limited	-	-	31.47	145.25	104.96	31.47	-	-	-	-	-	-	-	-	-	104.96	31.47
MEP IRDP Solapur Toll Road Private Limited	-	-	2.61	0.03	5.32	2.61	-	-	-	-	-	-	-	-	-	5.32	2.61
Raima Toll Road Private Limited	-	-	154.88	4.46	321.59	154.88	-	-	-	-	-	-	-	-	-	321.59	154.88
Rideema Toll Private Limited	-	-	821.35	1,016.53	1,511.98	821.35	-	-	-	-	-	-	-	-	-	1,511.98	821.35
Rideema Toll Bridge Private Limited	-	-	-	19.47	-	-	-	-	-	-	-	-	-	-	-	19.47	-
MEP Highway Solutions Private Limited	-	-	577.17	150.49	1,602.82	577.17	-	-	-	-	-	-	-	-	-	1,602.82	577.17
MEP Tormato Private Limited	-	-	-	175.54	335.37	-	-	-	-	-	-	-	-	-	-	335.37	-
Raima Ventures Private Limited	-	-	2.62	0.11	2.62	2.62	-	-	-	-	-	-	-	-	-	2.62	2.62
Raima Toll & Infrastructure Private Limited	-	-	-	-	13.42	-	-	-	-	-	-	-	-	-	-	13.42	-
MEP RGSJ Toll Bridge Private Limited	-	-	-	4.44	6.19	-	-	-	-	-	-	-	-	-	-	6.19	-
<b>Payable towards Margin money/ Performance security</b>																	
MEP Chennai Bypass Toll Road Private Limited	-	-	594.00	594.00	594.00	594.00	-	-	-	-	-	-	-	-	-	594.00	594.00
MEP Roads & Bridges Private Limited	-	-	514.50	106.92	106.92	514.50	-	-	-	-	-	-	-	-	-	106.92	514.50
MEP RGSJ Toll Bridge Private Limited	-	-	-	63.25	63.25	-	-	-	-	-	-	-	-	-	-	63.25	63.25
Raima Toll & Infrastructure Private Limited	-	-	250.00	250.00	250.00	-	-	-	-	-	-	-	-	-	-	250.00	-
<b>Payables towards expenses incurred by group Companies</b>																	
Ideal Toll & Infrastructure Private Limited	6.32	7.83	-	-	-	-	-	-	-	-	-	-	-	-	-	6.32	7.83

**Notes to Financial Statements** as at 31st March, 2017  
**NOTE 38 – STATEMENT OF RELATED PARTY TRANSACTIONS (CONTD.)**

	Associate Concern			Subsidiary			Key Managerial Personnel			Enterprises over which significant influence is exercised by key managerial personnel			Jointly Controlled Entity			Total			
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2016	1 April 2015		
	₹ in lakhs																		
Rajma Toll Road Private Limited	-	-	-	7.93	81.99	-	-	-	-	-	-	-	-	-	-	7.93	81.99	-	
MEP Infrastructure Private Limited	-	-	-	-	81.66	419.29	-	-	-	-	-	-	-	-	-	-	-	81.66	419.29
MEP RSSL Toll Bridge Private Limited	-	-	-	113.99	-	12.20	-	-	-	-	-	-	-	-	-	113.99	-	-	12.20
Rajma Toll and Infrastructure Private Limited	-	-	-	31.46	-	-	-	-	-	-	-	-	-	-	-	31.46	-	-	-
MEP Highway Solutions Private Limited	-	-	-	45.52	-	-	-	-	-	-	-	-	-	-	-	45.52	-	-	-
Rideema Toll Bridge Private Limited	-	-	-	20.53	23.65	-	-	-	-	-	-	-	-	-	-	20.53	23.65	-	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	148.92	-	-	148.92	-	-	-
<b>Construction Work in Progress</b>																			
MEP Nagpur Ring Road 1 Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	1,465.67	-	-	1,465.67	-	-	-
MEP Sanjose Nagpur Ring Road 2 Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	1,028.67	-	-	1,028.67	-	-	-
MEP Sanjose Arwal Kante Road Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	299.67	-	-	299.67	-	-	-
MEP Sanjose Kante Wakad Road Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	42.47	-	-	42.47	-	-	-
MEP Sanjose Talaja Mahuva Road Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	52.35	-	-	52.35	-	-	-
MEP Sanjose Mahuva Kagavadar Road Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	45.06	-	-	45.06	-	-	-
<b>Remuneration payable</b>																			
Mr. Murzash Manekshana	-	-	-	-	-	-	7.83	5.72	2.76	-	-	-	-	-	-	7.83	5.72	2.76	-
Mr. M. Sankaranarayanan	-	-	-	-	-	-	3.22	2.87	2.37	-	-	-	-	-	-	3.22	2.87	2.37	-
Mr. Shridhar Phadke	-	-	-	-	-	-	1.44	0.50	0.12	-	-	-	-	-	-	1.44	0.50	0.12	-
Mr. Jayant Mhaikar	-	-	-	-	-	-	6.61	5.55	5.73	-	-	-	-	-	-	6.61	5.55	5.73	-

**C. Disclosures of Commitments with related parties and balances at the year end**

Particulars	As at		As at	
	March 31, 2017	March 31, 2016	March 31, 2016	April 01, 2015
Construction Contracts with Jointly Controlled entities	345,973.05	-	-	-
Maintenance Contracts with Subsidiaries	68,700.00	72,100.00	72,100.00	78,900.00
Total	414,673.05	72,100.00	72,100.00	78,900.00

## Notes to Financial Statements as at 31st March, 2017

### NOTE 39 – CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

The Company has spent Rs. 55.42 lakhs (previous year : 5.00 lakhs) towards various schemes of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013. The details are:

- I. Gross amount required to be spent by the Company during the year: Rs. 45.42 lakhs (previous year: Rs.38.59 lakhs)
- II. Amount spent during the year on:

#### A. Information about reportable segments

₹ in lakhs

Particulars	In cash/payable	Yet to be paid in Cash	Total
i) Construction/Acquisition of any asset	-	-	-
	{-}	{-}	{-}
ii) For purposes other than (i) above	55.42	-	55.42
	{5.00}	{-}	{5.00}
{figures in brackets pertain to previous year}			

### NOTE 40

The Company has a receivable from a jointly controlled entity aggregating to Rs. 710.14 lakhs as at 31 March 2017 (As at March 2016: 709.27 lakhs). The management is confident of recovering the same and hence no provision has been made for the same.

### NOTE 41 AUDITOR'S REMUNERATION (Including service tax)

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Audit fees	26.47	39.38
Limited review fees	32.20	38.93
Out of pocket expenses	3.36	2.90
Other services (fees for Initial Public Offering)		111.16
<b>Total</b>	<b>62.03</b>	<b>192.37</b>
Less: Adjusted against securities premium (as share issue expenses)	-	(111.16)
<b>Total</b>	<b>62.03</b>	<b>81.21</b>

### NOTE 42 – DISCLOSURE PURSUANT TO CONSTRUCTION CONTRACTS

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Contract revenue recognised for the financial year	6,336.90	-
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) as at the end of the financial year for all contracts in progress as at that date	6,336.90	-
Amount of customer advances outstanding for contracts in progress as at the end of the financial year	33,401.02	-
Retention amount by customers for contracts in progress as at the end of the financial year	170.15	-
Billed revenue	3,403.01	-
Unbilled revenue/ (Excess billing to customers)	2,933.89	-

### NOTE 43 – 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 with related parties during the year.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 44 – EMPLOYEE BENEFITS

#### Defined Contribution Plan

The Company makes provident fund, Employees State Insurance and Maharashtra Labour Welfare Fund contributions for eligible employees. Under the schemes, the Company is required to contribute a specified percentage / fixed amount of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the respective fund set up by the government authority.

The Company has recognised the following amounts in the Statement of Profit and Loss for the year \*

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Employer's contribution to Provident Fund	92.51	96.04
Employer's contribution to Employee state Insurance Corporation	57.15	55.38
Employer's Contribution to Maharashtra Labour Welfare Fund	0.72	0.65
	150.38	152.06

\*Included in Contribution to provident fund and other funds

#### Defined Benefit Plan – Gratuity

The Company has defined benefit plan for gratuity which is unfunded. The scheme provides payment to vested employees at retirement, death or on resignation/termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

#### Present value of the defined benefit liabilities

The amount included in the Balance sheet arising from the Company's obligations in respect of its defined benefit schemes is as follows:

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Movement in defined benefit obligations:		
At the beginning of the year	208.31	170.80
Current service cost	24.94	26.76
Interest cost	14.84	14.51
Remeasurements :		
Gain/(loss) from change in financial assumptions	25.95	
Gain/(loss) from change in demographic assumptions		
Experience (gains)/losses	14.81	13.93
Benefits paid	(19.00)	(6.46)
Liabilities assumed / (settled)	22.63	(11.23)
<b>At the end of the year</b>	<b>292.48</b>	<b>208.30</b>

(ii) Amount recognised in the Balance Sheet

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Present value of obligations	292.48	208.30	170.80
Present value of plan assets	-	-	-
Net liability recognised	292.48	208.30	170.80

## Notes to Financial Statements as at 31st March, 2017

### NOTE 44 – EMPLOYEE BENEFITS (CONTD.)

#### Classification into Current / Non-Current

The liability in respect of the plan comprises of the following non current and current portion:

₹ in lakhs

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 01, 2015
Current	36.40	37.16	30.12
Non current	256.08	171.14	140.68
	<b>292.48</b>	<b>208.30</b>	<b>170.80</b>

The components of defined benefit plan cost are as follows:

₹ in lakhs

Particulars	For the year ended	For the year ended
	March 31, 2017	March 31, 2016
<b>Recognised in Income Statement</b>		
Current service cost	24.94	26.75
Interest cost / (income) (net)	14.84	14.51
Expected return on plan assets		
<b>Total</b>	<b>39.78</b>	<b>41.26</b>
<b>Recognised in Other Comprehensive Income</b>		
Remeasurement of net defined benefit liability/(asset)	40.76	13.93
<b>Expense recognised in Total Comprehensive Income</b>	<b>80.54</b>	<b>55.19</b>

The principal actuarial assumptions used for estimating the Company's benefit obligations are set out below (on a weighted average basis):

₹ in lakhs

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 01, 2015
Rate of increase in salaries	6.00%	6.00%	6.00%
Discount rate	6.95%	7.85%	7.95%
Expected average remaining service lives of the employees	9.83	8.97	8.68

#### Notes:

##### 1. Discount rate

The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

##### 2. Salary escalation rate

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

3. Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

#### Sensitivity of the defined benefit obligation:

₹ in lakhs

Particulars	Change in Assumption	Effect on Gratuity Obligation	
		As at	As at
		March 31, 2017	March 31, 2016
Discount rate	Minus 50 basis points	16.20	10.50
	Plus 50 basis points	(14.89)	(9.66)
Rate of increase in salaries	Minus 50 basis points	(11.47)	(8.29)
	Plus 50 basis points	11.99	8.54

## Notes to Financial Statements as at 31st March, 2017

### NOTE 44 – EMPLOYEE BENEFITS (CONTD.)

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

The weighted average duration of the defined benefit obligation is 10.74 years in 2017 and 9.72 years in 2016

The Company makes payment of liabilities from its cash and cash equivalent balances whenever liability arises.

#### Defined benefit liability and employer contribution

Expected cash flow profile of the benefits to be paid is as follows:

Particulars	₹ in lakhs				
	Less than a year	Between 1–2 years	Between 2–5 years	Over 5 years	Total
March 31, 2017					
Defined benefit obligations (Gratuity)	33.14	22.16	55.31	620.50	731.11
<b>Total</b>	<b>33.14</b>	<b>22.16</b>	<b>55.31</b>	<b>620.50</b>	<b>731.11</b>
March 31, 2016					
Defined benefit obligations (Gratuity)	36.79	16.22	44.21	468.15	565.37
<b>Total</b>	<b>36.79</b>	<b>16.22</b>	<b>44.21</b>	<b>468.15</b>	<b>565.37</b>

### NOTE 45 – DISCLOSURE ON SPECIFIED BANK NOTES

During the year the Company had Specified Bank Notes (SBNs) and other denomination notes as defined in the MCA notification, G.S.Rs 308(E), dated 31 March 2017. The details of SBNs held and transacted during the period from November 08, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:

	₹ in lakhs		
	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	401.28	79.92	481.20
(+) Permitted receipts	243.48	3,372.94	3,616.42
(-) Permitted payments	(9.28)	(112.85)	(122.13)
(-) Amount deposited in Banks	(635.48)	(3,086.60)	(3,722.08)
<b>Closing cash in hand as on 30.12.2016</b>	<b>-</b>	<b>253.41</b>	<b>253.41</b>

Special Bank Notes had defined as Bank Notes in notification of the Government of India, Ministry of Financial Department of Economic Affairs No. S.O. 3407(E), dated 8th November 2016.

### NOTE 46 – FIRST-TIME ADOPTION OF IND AS

The accounting policies set out in Note 1 have been applied in preparing the Standalone Financial statements for years ended March 31 2017, 2016 and April 1, 2015.

An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's Financial Information is set out in the following tables and notes.

#### Exemptions applied :

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS as at the transition date, i.e. April 1, 2015.

#### Ind AS optional exemptions

- Deemed cost: The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as on transition date measured as per the previous GAAP and use that carrying value as deemed cost.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 46 – FIRST-TIME ADOPTION OF IND AS (CONTD.)

The following mandatory exceptions have been applied in accordance with Ind AS 101:

- i. Derecognition of financial assets and financial liabilities: Company has opted to apply the exemption available under Ind AS 101 to apply the derecognition criteria of Ind AS 109 prospectively for the transactions occurring on or after the date of transition to Ind AS.
- ii. Estimates: Upon an assessment of the estimates made under Previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS.
- iii. Classification and measurement of financial assets: Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist on the date of transition to Ind AS.

The Company has applied the requirement of Ind AS 101 prospectively from April 1, 2015.

#### Reconciliations:

Ind AS 101 requires the company to reconcile equity, total comprehensive income and cash flows for prior periods. The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101

– Reconciliation of Equity as at Opening Balance Sheet date i.e. April 1, 2015 and March 31, 2016.

– Reconciliation of Statement of Profit and Loss for the year ended March 2016

– Explanation of material adjustments to cash flow statements

#### Reconciliations under Ind AS 101

##### (ii) Reconciliation of Equity as at April 1, 2015

Particulars	Notes to reconciliation	I GAAP*	Effects of transition to Ind AS	₹ in lakhs
				Ind AS
<b>ASSETS</b>				
<b>Non current assets</b>				
Property, Plant and Equipment		1,129.29	-	1,129.29
Capital work-in-progress				
Other Intangible assets	3	-	31,762.29	31,762.29
<b>Financial Assets</b>				
i. Investments		20,963.84	-	20,963.84
ii. Loans	2	15,746.87	(18.28)	15,728.59
iii. Other financial assets		1,237.06	-	1,237.06
Deferred tax assets (net)	4	239.32	241.75	481.07
Income tax assets		2,385.60	-	2,385.60
Other non current assets	2,7	18,281.57	13.19	18,294.76
<b>Total non current assets</b>		<b>59,983.55</b>	<b>31,998.95</b>	<b>91,982.50</b>
<b>Current assets</b>				
<b>Financial Assets</b>				
i. Trade receivables		3,929.34	-	3,929.34
ii. Cash and cash equivalents		799.36	-	799.36
iii. Bank balances other than (ii) above		3,034.94	-	3,034.94
iv. Loans		12,307.43	-	12,307.43
v. Other financial assets		4,108.88	-	4,108.88

## Notes to Financial Statements as at 31st March, 2017

### NOTE 46 – FIRST-TIME ADOPTION OF IND AS (CONTD.)

				₹ in lakhs
Particulars	Notes to reconciliation	I GAAP*	Effects of transition to Ind AS	Ind AS
Other current assets	2, 7	1,953.62	2.68	1,956.30
<b>Total current assets</b>		<b>26,133.57</b>	<b>2.68</b>	<b>26,136.25</b>
<b>Total assets</b>		<b>86,117.12</b>	<b>32,001.63</b>	<b>118,118.75</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital		11,149.43	-	11,149.43
Other Equity		14,716.25	(469.46)	14,246.79
<b>Total equity</b>		<b>25,865.68</b>	<b>(469.46)</b>	<b>25,396.22</b>
<b>LIABILITIES</b>				
<b>Non-current Liabilities</b>				
Financial liabilities				
i Borrowings	1	16,603.56	(83.55)	16,520.01
ii Trade Payables	3	-	992.10	992.10
Provisions		140.68	-	140.68
Other non-current liabilities		11,407.18	-	11,407.18
<b>Total non current liabilities</b>		<b>28,151.42</b>	<b>908.55</b>	<b>29,059.97</b>
<b>Current Liabilities</b>				
Financial liabilities				
i. Borrowings	1	17,843.85	(8.96)	17,834.89
ii. Trade payables	3	5,128.20	31,571.49	36,699.69
iii. Other financial liabilities		7,023.13	-	7,023.13
Provisions		32.74	-	32.74
Other current liabilities		2,072.11	-	2,072.11
<b>Total current liabilities</b>		<b>32,100.03</b>	<b>31,562.53</b>	<b>63,662.56</b>
<b>Total liabilities</b>		<b>60,251.45</b>	<b>32,471.08</b>	<b>92,722.53</b>
<b>Total equity and liabilities</b>		<b>86,117.12</b>	<b>32,001.63</b>	<b>118,118.75</b>

\*The Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

#### Reconciliations under Ind AS 101

##### (i) Reconciliation of Equity as at 31 March 2016

				₹ in lakhs
Particulars	Notes to reconciliation	I GAAP*	Effects of transition to Ind AS	Ind AS
<b>ASSETS</b>				
<b>Non current assets</b>				
Property, Plant and Equipment		1,724.87	-	1,724.87
Capital work-in-progress		-	-	-
Other Intangible assets	3	-	32,630.12	32,630.12
<b>Financial Assets</b>				
i. Investments		52,203.86	-	52,203.86

## Notes to Financial Statements as at 31st March, 2017

### NOTE 46 – FIRST-TIME ADOPTION OF IND AS (CONTD.)

₹ in lakhs

Particulars	Notes to reconciliation	I GAAP*	Effects of transition to Ind AS	Ind AS
ii. Loans	2	20,463.84	(15.70)	20,448.14
iii. Other financial assets		1,412.96	-	1,412.96
Deferred tax assets (net)	4	282.95	64.36	347.31
Income tax assets		2,716.82	-	2,716.82
Other non current assets	2,7	21,046.17	10.50	21,056.67
<b>Total non current assets</b>		<b>99,851.47</b>	<b>32,689.28</b>	<b>132,540.75</b>
<b>Current assets</b>				
<b>Financial Assets</b>				
i. Trade receivables		13.74	-	13.74
ii. Cash and cash equivalents		1,272.93	-	1,272.93
iii. Bank balances other than (ii) above		3,601.99	-	3,601.99
iv. Loans		12,767.89	-	12,767.89
v. Other financial assets		8,289.31	-	8,289.31
Other current assets	7	1,286.89	2.65	1,289.54
<b>Total current assets</b>		<b>27,232.75</b>	<b>2.65</b>	<b>27,235.40</b>
<b>Total assets</b>		<b>127,084.22</b>	<b>32,691.93</b>	<b>159,776.15</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital		16,256.92	-	16,256.92
Other Equity		42,420.44	74.11	42,494.55
<b>Total equity</b>		<b>58,677.36</b>	<b>74.11</b>	<b>58,751.47</b>
<b>LIABILITIES</b>				
<b>Non-current Liabilities</b>				
Financial liabilities				
i. Borrowings	1	22,260.56	(114.57)	22,145.99
Provisions		171.14	-	171.14
Other non-current liabilities		15,137.50	-	15,137.50
<b>Total non current liabilities</b>		<b>37,569.20</b>	<b>(114.57)</b>	<b>37,454.63</b>
<b>Current Liabilities</b>				
Financial liabilities				
i. Borrowings	1	21,138.17	(9.95)	21,128.22
ii. Trade payables	3	4,516.58	32,938.01	37,454.59
iii. Other financial liabilities		2,862.43	-	2,862.43
Other current liabilities		2,087.65	-	2,087.65
Provisions	5,6	232.83	(195.67)	37.16
<b>Total current liabilities</b>		<b>30,837.66</b>	<b>32,732.39</b>	<b>63,570.05</b>
<b>Total liabilities</b>		<b>68,406.86</b>	<b>32,617.82</b>	<b>101,024.68</b>
<b>Total equity and liabilities</b>		<b>127,084.22</b>	<b>32,691.93</b>	<b>159,776.15</b>

\* The Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

## Notes to Financial Statements as at 31st March, 2017

### NOTE 46 – FIRST-TIME ADOPTION OF IND AS (CONTD.)

#### (iii) Reconciliation of profit or loss for the year ended 31 March 2016

₹ in lakhs

Particulars	Notes to reconciliation	I GAAP*	Effects of transition to Ind AS	Ind AS
I. Revenue from operations		69,533.27	-	69,533.27
II. Other income	2	4,473.04	2.54	4,475.58
<b>III. Total Income ( I + II)</b>		<b>74,006.31</b>	<b>2.54</b>	<b>74,008.85</b>
<b>IV. Expenses</b>				
Operating and maintenance expenses	3	60,670.53	(56,882.73)	3,787.81
Changes in inventories of finished goods and work in progress			-	-
Employee Benefits Expenses	8	2,349.34	(13.93)	2,335.41
Depreciation and amortisation expense	3	381.33	56,144.29	56,525.62
Finance costs	1,3	5,296.71	213.00	5,509.71
Other expenses	2	1,449.25	2.68	1,451.93
<b>Total Expenses (IV)</b>		<b>70,147.16</b>	<b>(536.68)</b>	<b>69,610.48</b>
<b>V. Profit before tax (III-IV)</b>		<b>3,859.15</b>	<b>539.22</b>	<b>4,398.37</b>
<b>VI. Income Tax expense</b>				
Current tax				
For current year		1,395.00	-	1,395.00
For earlier years		(165.69)	-	(165.69)
Deferred tax	4	(43.63)	182.20	138.57
<b>Total tax expense</b>		<b>1,185.68</b>	<b>182.20</b>	<b>1,367.88</b>
<b>VII. Profit from continuing operations (V-VI)</b>		<b>2,673.47</b>	<b>357.02</b>	<b>3,030.49</b>
<b>VIII. Other Comprehensive Income/(loss) from continued operations</b>			-	
(i) Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit obligations	8		(13.93)	(13.93)
(ii) Income tax relating to above items that will not be reclassified to profit or loss	4		4.82	4.82
<b>Other Comprehensive Income/(loss) from continued operations (Net of tax)</b>		<b>-</b>	<b>(9.11)</b>	<b>(9.11)</b>
<b>IX. Total Comprehensive Income/(loss) from continued operations (VII+VIII) (Comprising Profit and Other Comprehensive Income for the period)</b>		<b>2,673.47</b>	<b>347.91</b>	<b>3,021.38</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 46 – FIRST-TIME ADOPTION OF IND AS (CONTD.)

#### (iv) Reconciliation of total equity:

Reconciliation of net worth as at 31 March 2016 and April 1, 2015

in lakhs

Particulars	Footnote ref.	As on March 31, 2016	As on April 1, 2015
<b>Net worth under IGAAP</b>		<b>58,677.36</b>	<b>25,865.68</b>
<b>Summary of Ind AS adjustments</b>			
Floating rate borrowing - upfront fees paid is recognised on weighted average basis over the tenure of the loan	1	124.52	92.51
Fair valuation of security deposit	2	(2.55)	(2.40)
Intangible assets - Toll collection rights	3	(307.90)	(801.31)
Change in deferred tax	4	4.41	-
Reversal of Proposed dividend	5	162.57	
Reversal of Dividend distribution tax	6	33.10	
Impact of Deferred Tax on above adjustment	4	59.95	241.74
<b>Total Ind AS adjustments</b>		<b>74.11</b>	<b>(469.46)</b>
<b>Net worth under Ind AS</b>		<b>58,751.47</b>	<b>25,396.22</b>

#### Reconciliation of Comprehensive income:

in lakhs

Particulars	Footnote ref.	As on March 31, 2016
<b>Comprehensive income under IGAAP</b>		<b>2,673.47</b>
<b>Summary of Ind AS adjustments</b>		
Floating rate borrowing - upfront fees paid is recognised on weighted average basis over the tenure of the loan	1	32.01
Fair value of security deposit	2	(0.15)
Recognition of intangible asset and corresponding liability (Toll collection rights)	3	493.41
Change in deferred tax	4	4.41
Impact of Deferred Tax on above adjustment	4	(181.77)
<b>Total Ind AS adjustments</b>		<b>347.91</b>
<b>Comprehensive income under Ind AS</b>		<b>3,021.38</b>

#### Notes to the reconciliation:

- Under previous GAAP, the Company accounted for the loan arrangement fees as an expense to Profit and Loss account. However under Ind AS, loan arrangement fees have to be amortised on EIR basis.
- Under previous GAAP, security deposits are carried at their face values. Under Ind AS, non-cancellable deposits (not statutory deposits in nature) are required to be measured at their fair values at inception using an appropriate discounting rate.
- Pursuant to the adoption of Ind AS, effective from 1 April 2015, all toll collection rights acquired have been accounted as "intangible assets" as required under Ind AS 38 and are amortized over the period of the respective contracts. In addition, corresponding liability which is payable to authority against acquisition of toll collection right is recognised as trade payables. The payment under these contracts, hitherto were recognised as operating and maintenance expenditure.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 46 – FIRST-TIME ADOPTION OF IND AS (CONTD.)

#### Notes to the reconciliation: (contd.)

- 4 Deferred tax assets (net):  
Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.
- 5 Under IND AS, Dividends declared after the reporting period but before the financial statements are authorized for issue, are not recognised as a liability because no obligation exists as at the end of the reporting period and the same is disclosed in the notes. Declaration of dividend is considered as non-adjusting event and hence shall be recognised in the year in which it is paid.
- 6 Under IND AS, Obligation of payment of taxes on dividends actualizes when the shareholders approve the dividend payment and hence, are not recognised as a liability. Proposed dividend and related dividend distribution tax are recognised in the year in which it is paid.
- 7 On transition to Ind AS, certain adjustments have been made between current and non-current classifications.
- 8 Under Previous GAAP, Company recognised actuarial gains/losses on defined benefit plan in the profit and loss account. Under Ind AS, the actuarial gains and losses will be recognised in other comprehensive income as remeasurements.

#### Statement of cash flows:

The transition from Indian GAAP to Ind AS do not have a material impact on the statement of cash flows.

As per our report of even date attached.

**For Gokhale & Sathe**  
*Chartered Accountants*  
Firm's Registration No: 103264W

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

Mumbai  
Date: 25 May 2017

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

**M. Sankaranarayanan**  
*Chief Financial Officer*

Mumbai  
Date: 25 May 2017

**For and on behalf of the Board of Directors of  
MEP Infrastructure Developers Limited**  
CIN: L45200MH2002PLC136779

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

**Harshad Pusalkar**  
*Company Secretary*

## Independent Auditors' Report

To  
The Members of  
MEP Infrastructure Developers Limited

### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of MEP Infrastructure Developers Limited (hereinafter referred to as "the Holding Company") (formerly MEP Infrastructure Developers Private Limited) its subsidiaries its associate company and jointly controlled entities, (the Holding Company and its subsidiaries together referred to as "the Group") its associate company and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the consolidated statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

### Management's responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate company and jointly controlled entities 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 associate company and jointly controlled entities 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit.

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

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

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

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

### Basis for Modified Opinion

As referred to in Note 47A to the Consolidated Ind AS Financial Statements which states that the Consolidated Ind AS Financial Statements do not include the financial information of one joint venture, since the financial statements of this entity for the year ended 31st March 2017 are not available with the company. Further the financial statements of this entity for the year ended 31st March 2016 were unaudited and based on the financial information certified by the company's Management. Consequently, we were unable to determine whether any adjustments were necessary to the consolidated Ind AS Financial Statements as at and for the year ended 31st March 2017.

### Modified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Modified Opinion paragraph above, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associate company and jointly controlled entities as at 31 March 2017 and their consolidated Profit and their consolidated cash flows for the year ended on that date.

### Emphasis of Matter

- a) We draw attention to Note 44 of the consolidated financial statements dealing with non- recognition of contractual obligations to pay to National Highway Authority of India ('NHAI') a sum of Rs.280 lakhs for the year ended 31 March 2017 in addition to the sum of Rs.12,843.19 lakhs for the period from 1 November 2014 to 31 March 2016 by one of the subsidiary companies. The approval by NHAI of the claims made by the company, based on the assessment of the Independent Engineer appointed by it, is pending and hence no provision for the unpaid amount is considered necessary.
- b) We draw attention to Note 14(a) of the consolidated financial statements where it is mentioned that one of the subsidiary companies has lodged claims of Rs 506.97 lakhs (previous year: Rs 2,197.53 lakhs) with the National Highway Authority of India (NHAI) on an estimated basis and has recognized claims receivable amounting to Rs 5,607.47 lakhs for the financial year ended 31 March 2017 (previous year Rs 5100.50 lakhs) which is disclosed under " Revenue from Operations" (note no.27) and claims receivable under " Other Current Financial Assets" (note no.14).
- c) We draw attention to Note 45 of the consolidated Ind AS Financial Statements which states the one of the Subsidiary companies, Raima Toll Road Private Limited has handed over the toll to the concerned Authority on 25th August 2016. Consequently, the provisions for major road maintenance amounting to Rs.5,455.29 lakhs (on which deferred tax amounts to Rs.1,888.08 lakhs) and the intangible assets amounting to Rs.64,684.04 lakhs and concession fees payable to the authority amounting to Rs.75,022.09 lakhs(on

which deferred tax amounts to Rs.3,578.00 lakhs) recognized consequent to the transition to Ind AS upto the previous financial year have been reversed during the period ended 30th June 2016 and 30th September 2016 and have been disclosed as 'Exceptional Items' in the statement. This accounting treatment has arisen consequent to the transition to Ind AS and the opinion of the Expert Advisory Committee of the ICAI in this regard is being sought by the company. The Company's Management believes that there would not be any material claims made by the authority on the subsidiary and therefore no provisions for any costs that may arise have been presently recognized. Further, the subsidiary has lodged claims with the concerned authority on an estimated basis amounting to Rs. 506.29 lakhs for the year ended 31st March 2017 (previous year Rs. 2,197.53 lakhs) which are recorded under "Revenue from Operations" in the Statement.

### Our opinion is not qualified in respect of the above matters.

#### Report on other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
  - a) We have sought and except for the possible effects of the matter described in the Basis for Modified Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financials Statements.
  - b) In our opinion, except for the effects of the matter described in the Basis for Modified Opinion paragraph above, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Ind AS Financials Statements have been kept by the company so far as appears from our examination of those books.
  - c) The consolidated balance sheet, consolidated statement of profit and loss, consolidated cash flow statement and the consolidated statement of changes in equity dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

- e) On the basis of written representations received from the directors of the Holding Company, its subsidiaries, its associate company and jointly controlled entities as on 31 March, 2017, taken on record by the respective Board of Directors, none of the directors of the Group Companies and jointly controlled entities are disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) respect to the adequacy of the internal financial controls over financial reporting of the Group companies and associate company and jointly controlled entities and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- g) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Modified opinion paragraph above.
- h) With respect to the other matters 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 consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate company and jointly controlled entities as per information and explanation provided by the company's Management-Refer Note 39 to the consolidated Ind AS Financial Statements.
- ii. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the Group and its associate company and jointly controlled entities did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Holding company its subsidiary companies, associate company and jointly controlled entities.
- iv. The company has provided requisite disclosures in its Consolidated Ind AS Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. However, we were unable to obtain sufficient and appropriate evidence to support the information produced to us by the management. Refer Note 48.

For **Gokhale & Sathe**  
*Chartered Accountants*  
Firm Reg. No.: 103264W

CA **Yatin Vyavaharkar**  
*Partner*  
Membership No. 033915

Place: Mumbai  
Date: 25th May 2017

## ANNEXURE A

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

We have audited the Internal financial controls over financial reporting of MEP INFRASTRUCTURE DEVELOPERS LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Holding Company, its subsidiary companies, associate company and jointly controlled entities, incorporated in India as of that date, except for one jointly controlled entity whose financial and other information was not available for the year ended on 31st March 2017.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, its associate company and jointly controlled entities, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing

procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our modified audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

The audited financial statements with regard to one of the jointly controlled entities of the Holding Company were not made available to us to enable us to determine if the jointly controlled entity has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at 31 March 2017.

In our opinion, except for the possible effects of the matter described above, the Holding Company, its subsidiary companies, its associate company and jointly controlled entity, which are companies incorporated in India, the respective Board of Directors of the Holding company, its subsidiary companies, its associate company and jointly controlled entities have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial

reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the matter described and reported above in determining the nature, timing and extent of audit tests applied in our audit of the 31 March 2017 consolidated Ind AS financial statements of the Company, and this matter has affected our audit opinion on the consolidated Ind AS financial statements of the Company and we have issued a modified opinion on the consolidated Ind AS financial statements

For **Gokhale & Sathe**  
*Chartered Accountants*  
Firm Reg. No.: 103264W

Place: Mumbai  
Date: 25th May 2017

CA **Yatin Vyavaharkar**  
*Partner*  
Membership No. 033915

## Balance Sheet as at 31st March, 2017

Rs. in lakhs

Particulars	Notes	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>ASSETS</b>				
<b>Non current assets</b>				
Property, Plant and Equipment	2	5,076.25	6,091.53	2,833.47
Capital work-in-progress	2	2,815.33	666.72	1,626.84
Goodwill on consolidation	3	2,618.05	2,652.04	2,652.04
Other Intangible assets	3	238,777.65	350,038.01	393,155.24
Investment In Joint Ventures Et Associates	4	14,449.16	-	-
<b>Financial Assets</b>				
i. Investments	5	2,176.18	2,166.22	2,161.21
ii. Loans	6	48,983.61	51,221.02	49,773.53
iii. Other Financial Assets	7	2,696.12	4,302.89	3,872.62
Deferred tax assets (net)	8 (iv)	15,203.24	20,451.39	15,811.80
Income tax asset		6,550.25	2,381.92	2,737.90
Other non current assets	9	57,676.09	45,405.50	40,694.57
<b>Total non current assets</b>		<b>397,021.93</b>	<b>485,377.24</b>	<b>515,319.22</b>
<b>Current assets</b>				
<b>Financial Assets</b>				
i. Investments	10	-	-	1,063.30
ii. Trade receivables	11	3,539.73	17.27	2,582.75
iii. Cash and cash equivalents	12 (i)	3,538.48	5,529.59	4,911.11
iv. Bank balances other than (iii) above	12 (ii)	10,883.16	9,366.00	8,570.34
v. Loans	13	23,452.22	8,438.05	5,408.10
vi. Other financial assets	14	29,924.15	15,089.78	8,407.49
Other current assets	15	21,217.50	19,636.42	13,172.49
<b>Total current assets</b>		<b>92,555.24</b>	<b>58,077.11</b>	<b>44,115.58</b>
<b>Total Assets</b>		<b>489,577.17</b>	<b>543,454.35</b>	<b>559,434.80</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	16	16,256.92	16,256.92	11,149.43
Other Equity	17	(17,048.44)	(27,501.37)	(49,043.10)
<b>Total Equity</b>		<b>(791.52)</b>	<b>(11,244.45)</b>	<b>(37,893.67)</b>
<b>Liabilities</b>				
<b>Non current liabilities</b>				
<b>Financial liabilities</b>				
i. Borrowings	18	251,494.80	263,871.85	293,511.56
ii. Trade payables	19	50,293.93	71,375.63	140,427.84
Deferred tax liabilities [net]	8 (v)	-	3.45	20.50
Provisions	20	2,804.19	12,279.51	8,328.65
Other non-current liabilities	21	19,480.95	-	-
<b>Total non current liabilities</b>		<b>324,073.87</b>	<b>347,530.44</b>	<b>442,288.55</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
i. Borrowings	22	20,118.76	24,612.16	20,698.72
ii. Trade payables	23	82,547.08	157,326.92	106,513.57
iii. Other financial liabilities	24	38,402.55	21,760.96	25,520.85
Other current liabilities	25	16,197.88	1,343.29	1,656.51
Provisions	26	8,030.93	2,125.02	650.27
Current Tax Liability		997.62	-	-
<b>Total current liabilities</b>		<b>166,294.82</b>	<b>207,168.35</b>	<b>155,039.92</b>
<b>Total liabilities</b>		<b>490,368.69</b>	<b>554,698.79</b>	<b>597,328.47</b>
<b>Total Equity and Liabilities</b>		<b>489,577.17</b>	<b>543,454.35</b>	<b>559,434.80</b>
Significant Accounting Policies	1			
Notes to the Consolidated financial statements	2-48			

The notes referred to above form an integral part of the Consolidated Financial Statements  
As per our report of even date attached.

**For Gokhale & Sathe**

Chartered Accountants

Firm's Registration No: 103264W

**Yatin R. Vyavaharkar**

Partner

Membership No: 033915

Mumbai

Date: 25 May 2017

**Jayant D. Mhaiskar**

Managing Director

DIN: 00716351

**M. Sankaranarayanan**

Chief Financial Officer

Mumbai

Date: 25 May 2017

**For and on behalf of the Board of Directors of****MEP Infrastructure Developers Limited**

CIN: L45200MH2002PLC136779

**Anuya J. Mhaiskar**

Director

DIN: 00707650

**Harshad Pusalkar**

Company Secretary

## Profit & Loss for the year ended 31st March, 2017

Rs. in lakhs

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
I. Revenue from operations	27	172,906.74	190,519.27
II. Other income	28	8,636.84	7,569.54
<b>III. Total Income (I+II)</b>		<b>181,543.58</b>	<b>198,088.81</b>
<b>IV. Expenses</b>			
Operating and maintenance expenses	28	32,802.38	26,001.03
Employee Benefits Expenses	29	7,335.22	7,443.35
Finance costs	30	49,309.04	64,218.79
Depreciation and amortisation expense	2	86,800.92	101,218.70
Other expense	31	3,890.36	3,995.41
<b>Total Expenses (IV)</b>		<b>180,137.92</b>	<b>202,877.28</b>
V. Profit/(loss) before exceptional items, share of net profits of investment accounted for using equity method and tax		1,405.66	(4,788.47)
VI. Share of profit / (Loss) in Joint Venture and Associates accounted for using the equity method (net of tax)		18.84	(445.76)
VII. Profit/(loss) before exceptional item and tax		1,424.50	(5,234.23)
VIII. Exceptional Items (net) (Refer note no. 49)		15,793.35	-
IX. Profit/(loss) before tax		17,217.85	(5,234.23)
X. Income Tax expense	8 (i)		
Current tax			
For current year		1,073.59	3,310.36
For earlier years		(16.30)	(242.25)
Deferred tax		5,268.06	(4,643.74)
<b>Total tax expense</b>		<b>6,325.35</b>	<b>(1,575.63)</b>
XI. Profit from continuing operations (V-VI)		10,892.50	(3,658.60)
XII. Other Comprehensive Income/(loss) from continued operations			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligations		(71.52)	(38.95)
Income tax relating to above items that will not be reclassified to profit or loss		23.35	12.89
XIII. Other Comprehensive Income/(loss) from continued operations (Net of tax)		(48.17)	(26.06)
XIV. Total Comprehensive Income/(loss) from continued operations (X+XI) (Comprising Profit and Other Comprehensive Income for the period)		10,844.33	(3,684.66)
Earnings per equity share in (Rs.)			
Basic earnings per share		6.70	(2.31)
Diluted earnings per share		6.70	(2.31)
Significant Accounting Policies	1		
Notes to the Consolidated financial statements	2-48		

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

As per our report of even date attached.

**For Gokhale & Sathe**  
Chartered Accountants  
Firm's Registration No: 103264W

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

Mumbai  
Date: 25 May 2017

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

**M. Sankaranarayanan**  
Chief Financial Officer

Mumbai  
Date: 25 May 2017

**For and on behalf of the Board of Directors of  
MEP Infrastructure Developers Limited**  
CIN: L45200MH2002PLC136779

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

**Harshad Pusalkar**  
Company Secretary

## Cash Flow Statement for the year ended 31st March, 2017

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	17,217.85	(5,234.23)
<b>Adjustments for:</b>		
Goodwill impairment	33.99	
Depreciation and amortisation	86,800.92	101,218.70
Liabilities/provisions no longer required written back	(1,429.98)	(2.95)
Profit on Property Plant and Equipment sold (Net)	88.14	(2.82)
Dividend income	(3.99)	(21.73)
Finance costs	49,309.04	64,218.79
Exceptional Item	(15,793.35)	
Upfront Processing Fees	(103.28)	
Interest income	(2,373.57)	(2,651.70)
Interest income from related parties	(4,753.96)	(4,750.36)
Share in Profits of Joint Ventures	(18.84)	445.76
Remeasurement of net defined benefit obligations	(71.52)	(38.95)
<b>Operating profit before working capital changes</b>	<b>128,901.45</b>	<b>153,180.51</b>
<b>Adjustments for changes in working capital:</b>		
(Increase)/Decrease in trade receivables	(3,522.46)	2,565.48
(Increase)/Decrease in non-current financial assets - loans	(6,359.64)	397.82
(Increase)/Decrease in non-current financial assets - others	199.45	(181.38)
(Increase)/Decrease in current financial assets - loans	(15,003.85)	(407.95)
(Increase)/Decrease in current financial assets - others	(12,152.93)	(5,762.27)
(Increase)/Decrease in other non current assets	(16,985.81)	781.93
(Increase)/Decrease in other current assets	(1,581.08)	(7,064.89)
Increase/(Decrease) in non-current financial liabilities - others	(21,081.69)	(69,052.21)
Increase/(Decrease) in trade payables	(49,836.39)	(31,093.24)
Increase/(Decrease) in current financial liabilities - other	-	160.01
Increase/(Decrease) in short term provisions	4,444.86	1,477.70
Increase/(Decrease) in long term provisions	7,335.89	3,279.05
Increase/(Decrease) in other non-current liabilities	(4,574.31)	
Increase/(Decrease) in other current liabilities	19,480.95	(313.21)
<b>Cash generated from operations</b>	<b>(84,781.18)</b>	<b>(105,213.16)</b>
Income tax paid	(4,229.32)	(2,712.13)
<b>Net cash generated from operating activities</b>	<b>39,890.95</b>	<b>45,255.22</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property Plant and Equipment including capital advances	930.47	(8,885.31)
Sale of Property Plant and Equipment	1,255.34	7.99
Dividend received	3.99	21.73
Sale of investments		1,063.30
Purchase of investments	(9.96)	(5.00)
Investment in fixed deposits	(6,593.11)	(10,815.05)
Redemption / maturity of fixed deposits	6,365.67	9,887.32
Interest received	5,460.13	2,406.96
Loans given	7,691.13	(949.83)
Purchase of investment in joint ventures	(14,413.08)	(5.01)
<b>Net cash (used in) investing activities</b>	<b>690.58</b>	<b>(7,272.90)</b>

## Cash Flow Statement for the year ended 31st March, 2017

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Dividend distribution tax	(66.20)	
Proceeds from issue of share capital		5,107.49
Proceeds from borrowings	44,516.36	19,052.42
Repayment of borrowings	(54,270.61)	(45,457.13)
Proceeds from issue of share capital (including securities premium)		27,292.51
Interest paid	(32,427.05)	(41,893.98)
Dividend paid	(325.14)	(196.59)
Share issue expense		(1,268.56)
<b>Net cash generated from/(used in) financing activities</b>	<b>(42,572.64)</b>	<b>(37,363.84)</b>
Net Increase/(Decrease) in cash and cash equivalents	(1,991.11)	618.48
Cash and cash equivalents as at the beginning of the year	5,529.59	4,911.11
Less:- Decrease in cash and cash equivalents pursuant to scheme of Arrangement		
<b>Cash and cash equivalents as at the end of the year</b>	<b>3,538.48</b>	<b>5,529.59</b>

### Cash and cash equivalents includes:

₹ in lakhs

Particulars	For the year ended March 31, 2017	As at March 31, 2016
Cash and cash equivalents		
Cash on hand	1,188.90	3,620.76
Bank balances		
In current accounts	1,414.18	1,835.60
Unclaimed Dividend	0.35	
Demand deposits (less than 3 months maturity)	935.05	73.23
	<b>3,538.48</b>	<b>5,529.59</b>

- The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Cash Flow Statement notified under section 133 of the Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.
- Figures in bracket indicate cash outflow.

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

As per our report of even date attached.

**For Gokhale & Sathe**  
Chartered Accountants  
Firm's Registration No: 103264W

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

Mumbai  
Date: 25 May 2017

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

**M. Sankaranarayanan**  
Chief Financial Officer

Mumbai  
Date: 25 May 2017

**For and on behalf of the Board of Directors of  
MEP Infrastructure Developers Limited**  
CIN: L45200MH2002PLC136799

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

**Harshad Pusalkar**  
Company Secretary

## Statement of Changes in Equity

## A. Equity Share Capital

₹ in lakhs

Particulars	Balance as at April 1, 2015	Changes in equity share capital during the year	Balance as at March 31, 2016	Changes in equity share capital during the year	Balance as at March 31, 2017
Equity Share Capital	11,149.43	5,107.49	16,256.92	-	16,256.92

## B. Other Equity

₹ in lakhs

Particulars	Attributable to owners of MEP Infrastructure Developers Limited Reserves and Surplus			Total
	Securities Premium	Retained earnings/ (accumulated deficit)	Capital reserves	
<b>Balance as at April 1, 2015</b>	<b>1,350.58</b>	<b>(50,395.60)</b>	<b>1.92</b>	<b>(49,043.10)</b>
Received during the year	27,292.51			27,292.51
Profit for the year		(3,658.60)		(3,658.60)
Less: Share issue expense	(1,869.53)			(1,869.53)
Other comprehensive income		(26.06)		(26.06)
Interim equity dividend		(162.57)		(162.57)
Dividend distribution tax		(34.02)		(34.02)
<b>Balance as at March 31, 2016</b>	<b>26,773.56</b>	<b>(54,276.85)</b>	<b>1.92</b>	<b>(27,501.37)</b>
Addition/Reduction during the year				-
Profit for the year		10,892.50		10,892.50
Transfer to statutory reserves				-
Proposed Dividend Paid		(162.57)		(162.57)
Other comprehensive income		(48.17)		(48.17)
Interim equity dividend		(162.57)		(162.57)
Dividend distribution tax		(66.20)		(66.20)
<b>Balance at March 31, 2017</b>	<b>26,773.56</b>	<b>(43,823.92)</b>	<b>1.92</b>	<b>(17,048.44)</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes. (Refer note 16 and 17)

As per our report of even date attached.

**For Gokhale & Sathe**

Chartered Accountants  
Firm's Registration No: 103264W

**Yatin R. Vyavaharkar**

Partner  
Membership No: 033915

Mumbai  
Date: 25 May 2017

**Jayant D. Mhaikar**

Managing Director  
DIN: 00716351

**M. Sankaranarayanan**

Chief Financial Officer

Mumbai  
Date: 25 May 2017

**For and on behalf of the Board of Directors of  
MEP Infrastructure Developers Limited**

CIN: L45200MH2002PLC136779

**Anuya J. Mhaikar**

Director  
DIN: 00707650

**Harshad Pusalkar**

Company Secretary

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 1

#### 1 General information

MEP Infrastructure Developers Limited (Formerly known as MEP Infrastructure Developers Private Limited) ('MEPIDL' or 'the Company') having its registered office at A 412, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri (E), Mumbai-400072, was incorporated on August 8, 2002 vide certificate of incorporation No L45200MH2002PLC136779 issued by the Registrar of Companies, Maharashtra, Mumbai. It is the ultimate holding Company/Parent Company in the MEP Group of Companies.

The Company's equity shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) with effect from 6 May, 2015. The Company, its subsidiaries, associates and jointly controlled entities (collectively referred to as 'the Group') are into the business of collection of toll and construction of roads along with other ancillary activities such as road repairs and maintenance of flyovers, roads and allied structures.

These consolidated financial statements comprise the Company and its subsidiaries (collectively the 'Group' and individually 'Group companies').

#### 2 Basis of preparation

These consolidated financial statements of the Company for the year ended March 31, 2017 along with comparative financial information for the year March 31, 2016 and Opening Balance Sheet as at April 1, 2015 have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016

These financial statements for the year ended 31 March 2017 are the first year the company has prepared in accordance with Ind AS and are covered by Ind AS 101, First-time adoption of Indian Accounting Standards. For all periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101. An explanation of how the transition to Ind AS has affected the Company's equity and its net profit is provided in Note 1A

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS. The financial statements of the Parent Company, its subsidiaries, joint ventures and associates have been consolidated using uniform accounting policies

#### Historical Cost Convention

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

- certain financial assets and liabilities that is measured at fair value;
- assets held for sale – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value; and

#### Current and Non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

#### 3 Functional and presentation currency

These consolidated financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated

## Notes to Financial Statements for the year ended 31st March, 2017

### 4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the consolidated balance sheet and Consolidated statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

#### a) Determining extent of control

The assessment as to whether the Group exercises control, joint control or significant influence over the companies in which it holds less than 100 percent voting rights.

The Group makes assumptions, when assessing whether it exercises control, joint control or significant influence over companies in which it holds less than 100 percent of the voting rights. These assumptions are made based on the contractual rights with the other shareholders, relevant facts and circumstances which indicate that the Group has power over the potential subsidiary or that joint control exists. Changes to contractual arrangements or facts and circumstances are monitored and are evaluated to determine whether they have a potential impact on the assessment as to whether the Group is exercising control over its investment.

#### b) Property, plant and equipment :

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

#### c) Recognition and measurement of defined benefit obligations :

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligation.

#### d) Recognition of deferred tax assets :

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management is reasonably certain that taxable profits will be available to absorb carried forward losses while recognising deferred tax assets.

#### e) Recognition and measurement of other provisions :

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

#### g) Discounting of long-term financial instruments :

All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to subsequently measured at amortised cost, interest is accrued using the effective interest method.

### 5 Measurement of fair values

The company's accounting policies and disclosures require the measurement of fair values for financial instruments. When measuring the fair value of a financial asset or a financial liability, fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

## Notes to Financial Statements for the year ended 31st March, 2017

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The company recognises transfers due to change between levels of the fair value hierarchy at the end of the reporting period.

### Statement of significant accounting policies

#### I) Basis of consolidation

##### i) Business combinations

Business combinations (Other than common control business combinations) on or after 1 April 2015

Upon first-time adoption of Ind AS, the Group has elected to measure its investments in subsidiaries at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2015.

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in equity under the head 'Capital reserve'. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

##### ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

### Principles of Consolidation

a) The consolidated financial statements of the Company and its subsidiaries are combined on a line-by-line basis by adding 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, net of deferred tax in accordance with the Indian Accounting Standard - 110 'Consolidated Financial Statements'.

b) 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.

c) Non Controlling Interest's share of net profit of consolidated subsidiaries for the period is identified and adjusted against the income of the Group in order to arrive at the net income attributable to the equity shareholders of the Company.

Non-controlling interest's share of the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet as a separate item from liabilities and the shareholder's equity.

d) 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.

e) The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the

## Notes to Financial Statements for the year ended 31st March, 2017

consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves Et Surplus', in the consolidated financial statements. The 'Goodwill' / 'Capital Reserve' is determined separately for each subsidiary company and such amounts are not set off between different entities.

- f) Changes in ownership interests: The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. The share of non-controlling interest is restricted to the extent of contractual obligation of the Group.

When the Group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

### iii) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in Other Comprehensive Income of those investees is presented as part of the Group's Other Comprehensive Income.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its joint ventures and associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The financial statements of the subsidiaries, joint ventures and associates used for purpose of consolidation are drawn upto the same reporting date as that of the parent company i.e. year ending 31st March.

## Notes to Financial Statements for the year ended 31st March, 2017

### iv) List of Subsidiaries/Associates/ Jointly Controlled Entities

Name of the company	Place of Incorporation	Principal activities	% holding as on 31 March, 2017	% holding as on 31 March, 2016	% holding as on 1 April 2015
<b>Parent Company</b>					
MEP Infrastructure Developers Limited	India	Toll collection, construction of road, repair and maintenance services			
<b>Direct Subsidiaries</b>					
MEP Infrastructure Private Limited	India	Toll collection, road repair and maintenance of structures, flyovers, etc	99.99%	99.99%	99.99%
Raima Ventures Private Limited	India	Collection of toll	100%	100%	100%
Rideema Toll Private Limited	India	Collection of toll	100%	100%	100%
Rideema Toll Bridge Private Limited	India	Collection of toll	100%	100%	100%
MEP Nagzari Toll Road Private Limited	India	Collection of toll	100%	100%	100%
MEP IRDP Solapur Toll Road Private Limited India	India	Collection of toll	100%	100%	100%
MEP Hyderabad Bangalore Toll Road Private Limited	India	Operation, Maintenance and Collection of toll	99.99%	99.99%	98.90%
Raima Toll Road Private Limited	India	Operation, Maintenance and Collection of toll	100%	100%	100%
MEP Chennai Bypass Toll Road Private Limited	India	Operation, Maintenance and Collection of toll	100%	100%	100%
MEP Highway Solutions Private Limited	India	Construction and maintenance activities	100%	100%	100%
MEP RGSL Toll Bridge Private Limited	India	Operation, Maintenance and Collection of toll	100%	100%	100%
Raima Toll and Infrastructure Private Limited	India	Collection of toll	100%	100%	100%
MEP Roads & Bridges Private Limited	India	Collection of toll	100%	100%	100%
Mhaskar Toll Road Private Limited	India	Operation, Maintenance, Modernisation and Collection of toll and Construction activities	100%	100%	100%
MEP Infra Constructions Private Limited	India	Operation, Maintenance, Modernisation and Collection of toll and Construction activities	100%	100%	100%
MEP Toll & Infrastructure Private Limited	India	Operation, Maintenance, Modernisation and Collection of toll and Construction activities	100%	100%	100%
MEP Tormato Private Limited	India	Operation, Maintenance, Modernisation and Collection of toll	100%	100%	100%
MEP Infraprojects Private Limited	India	Operation, Maintenance, Modernisation and Collection of toll and Construction activities	100%	100%	100%
MEP Foundation Private Limited	India	Corporate Social Responsibility	100%	-	-
<b>Indirect Subsidiaries</b>					
<b>Subsidiaries of:</b>					
Rideema Toll Private Limited					
Baramati Tollways Private Limited	India	Maintenance and collection of toll for, the Ring Road and bridges in Baramati on a BOT basis	99.99%	99.99%	99.99%

## Notes to Financial Statements for the year ended 31st March, 2017

Name of the company	Place of Incorporation	Principal activities	% holding as on 31 March, 2017	% holding as on 31 March, 2016	% holding as on 1 April 2015
<b>Associates:</b>					
KVM Technology Solutions Private Limited	India	Installation of toll equipment	33%	33%	33%
<b>Jointly Controlled Entities:</b>					
SMYR Consortium LLP*	India	Collection of toll	25%	25%	-
MEP Nagpur Ring Road 1 Pvt. Ltd.	India	Construction and Maintenance of Roads	74%	-	-
MEP Sanjose Arawali Kante Road Pvt. Ltd	India	Construction and Maintenance of Roads	74%	-	-
MEP Sanjose Kante Waked Road Pvt. Ltd	India	Construction and Maintenance of Roads	74%	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	India	Construction and Maintenance of Roads	60%	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.	India	Construction and Maintenance of Roads	74%	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	India	Construction and Maintenance of Roads	60%	-	-

Note: The Company does not have any partial interest in any entity which is material for consolidation purposes

\*The Company has considered the unaudited financial information of one jointly controlled entity in the consolidated financial statements.

### II) Property, Plant and Equipment

- i) Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises
  - a) the purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates,
  - b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and
  - c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest if any.

#### ii) Transition to IND AS

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

#### iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

## Notes to Financial Statements for the year ended 31st March, 2017

### iv) Depreciation / amortization

Depreciation is provided on a pro-rata basis on the written down value method over the estimated useful life of the assets. 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.

Useful life of the asset is taken, as specified in Schedule II of the Companies Act, 2013"

### v) Impairment of fixed assets

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists.

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

The recoverable amount is the greater of the asset's fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent that the carrying amount after such reversal does not exceed the carrying amount that would have been determined had there been no impairment. In case of revalued assets such reversal is not recognized.

## IV) Intangible assets

### Goodwill on consolidation

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments

### Toll Collection Rights

#### Recognition and Measurement

Toll collection rights are stated at cost, less accumulated amortisation and impairment losses. Cost includes: Contractual Upfront / monthly / fortnightly payments towards acquisition.

#### Amortisation

Intangible assets i.e. toll collection rights are amortised over the tenure of the respective toll collection contract

## V) Borrowing Cost

Borrowing costs are interest and other costs related to borrowing that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest costs measured at Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Ancillary borrowing costs are amortised over the tenure of the loan.

Borrowing costs that are attributable to acquisition or construction of qualifying assets are capitalized as a part of cost of such assets till the time the asset is ready for its intended use. A qualifying assets is the one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recorded as an expense in the Profit and loss account in the year in which they are incurred.

## Notes to Financial Statements for the year ended 31st March, 2017

### VI) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

#### Financial Assets

##### i) Classification

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

##### ii) Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity or equity instrument of another entity. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in statement of profit and loss.

#### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

#### Debt instruments at FVOCI

A 'debt instrument' is measured at the Fair value through other comprehensive income(FVOCI) if both the following conditions are met:

- a) The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

For assets classified as subsequently measured at FVOCI, interest revenue, expected credit losses, and foreign exchange gains or losses are recognised in profit or loss. Other gains and losses on remeasurement to fair value are recognised in Other Comprehensive Income. On derecognition, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from equity to profit or loss.

#### Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the Group may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

## Notes to Financial Statements for the year ended 31st March, 2017

### iii) Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income. There is no recycling of the amounts from Other Comprehensive Income to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

### iv) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### v) Impairment of financial assets

Financial assets of the company comprise of trade receivable and other receivables consisting of debt instruments e.g., loans, debt securities, deposits, and bank balance. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. An impairment loss for trade and other receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Impairment losses if any, are recognised in profit or loss for the period.

### Financial liabilities

Financial instruments with a contractual obligation to deliver cash or another financial assets is recognised as financial liability by the company.

#### i) Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

#### ii) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

## Notes to Financial Statements for the year ended 31st March, 2017

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate. The Effective Interest Rate amortisation is included as finance costs in the statement of profit and loss.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

### iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## VII) Leases

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

## VIII) Trade Receivables:

Trade receivables are amounts due from customers and related parties from the rendering of services in the ordinary course of business. Trade receivables are recognised initially at fair value except for short-term receivable where the recognition of interest is immaterial and subsequently measured at amortised cost using effective interest method less an allowance for impairment. An estimate for impairment is made when collection of the entire amount is no longer probable or when payments are delayed. The Company maintains an allowance for impairment to provide for impairment of trade receivables. Impairment allowances and related trade receivables are written off when determined as not collectable

### Non derivative financial assets- service concession arrangements

The Group recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or other financial asset from the grantor of the concession for the construction or upgrade service provided.

Such financial assets are measured at fair value upon initial recognition and classified as trade receivables. Subsequent to initial recognition, such assets are measured at amortised cost

## IX) Inventories:

### Construction materials, components, stores, spares and tools

They are valued at lower of cost and net realisable value. Cost is determined on first in first out basis and comprise all cost of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

## Notes to Financial Statements for the year ended 31st March, 2017

### Work-in-progress and finished goods

They are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of overheads based on normal operating capacity. Cost is determined on weighted average basis. Net realisable value is the estimated contract price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to complete the contract."

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

In case if any payment for inventory is deferred beyond normal credit terms then cost is determined by discounting the future cash flows at an interest rate determined with reference to market rates. The difference between the total cost and the deemed cost in such cases are recognised as interest expense over the period of financing under the effective interest method.

### X) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

### XIV) Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to the financial statements. Contingent assets are not recognized in the financial statements

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract."

### XI) Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company, the revenue can be reliably measured and no significant uncertainty as to the measurability and collectability exists.

#### Toll collection

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

#### Revenue from EPC Contracts with Joint ventures:

The company has entered into Engineering, Procurement and Construction (EPC) Contracts with its joint ventures for providing road construction and maintenance services to them. Income from this service is recognised when invoices are raised to the joint ventures. Company is entitled to raise bills for the portion of work completed as per the pattern indicated in the Billing Schedule for each Milestone Event mentioned in the EPC agreement.

#### Road repair and maintenance

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

#### Other income

- Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective rate of interest.
- Dividend income is recognised in profit or loss on the date on which the company's right to receive payment is established.

## Notes to Financial Statements for the year ended 31st March, 2017

### Revenue from Service concession Agreements

Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed upto the balance sheet date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable.

If total cost is estimated to exceed total contract revenue, the Group provides for foreseeable loss. Contract revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of contract revenue has been reflected as unearned revenue.

### XII) Retirement and other 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. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### ii) Post Employment Employee Benefits

Retirement benefits to employees comprise payments to government provident funds, gratuity fund and Employees State Insurance

#### Defined contribution plans

The company's / Group's contribution to defined contributions plans such as Provident Fund, Employee State Insurance and Maharashtra Labour Welfare Fund are recognised in the consolidated Statement of Profit and Loss in the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

#### Defined benefit plans

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, This amount is discounted to determine its present value.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method, which recognises 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. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Actuarial gains/losses are recognized in the other comprehensive income.

### XIII) Income taxes

Tax expense comprises of current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other Comprehensive Income.

## Notes to Financial Statements for the year ended 31st March, 2017

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes and reversal of timing differences of earlier years."

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

### Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. The tax effect is calculated on the accumulated timing differences at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum alternate tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

## XVI) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## XV) Recent Accounting Pronouncements

### i) Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, Statement of Cash Flows and Ind AS 102, Share-Based Payment. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to Ind AS 7, Statement of Cash Flows and IFRS 2, Share-Based Payments, respectively. The amendments are applicable to the Group from April 1, 2017.

### Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in

## Notes to Financial Statements for the year ended 31st March, 2017

liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Group had evaluated the disclosure requirements of the amendment and the effect on the Consolidated Financial Statements is not expected to be material.

### Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance for the measurement of the cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of the cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values' but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transactions are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Group does not have share-based payments and hence no impact on financial statements.

## NOTE 1A

### First-time adoption of Ind AS

First-time adoption of Ind AS

The accounting policy set out in Note 1, have been applied in preparing the consolidated Ind AS financial statements for the year ended 31 March 2017, 2016 and Opening Balance Sheet, i.e. 1 April 2015

An explanation of how the transition from Indian GAAP to Ind AS has affected the Group's Consolidated Financial Information is set out in the following tables and notes.

### Exemptions applied :

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS as at the transition date, i.e. April 1, 2015.

### Ind AS optional exemptions

- i. Deemed cost: The Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as on transition date measured as per the previous GAAP and use that carrying value as deemed cost.
- ii. Business combinations: Business combinations were not restated retrospectively in accordance with Ind AS 103, Business Combinations. The carrying amounts of assets acquired and liabilities assumed as part of past business combinations as well as the amounts of goodwill that arose from such transactions as they were determined under the Previous GAAP are considered their deemed cost under Ind AS at the date of transition. The Group has applied same exemption for investment in associates and joint ventures.
- iii. Joint ventures – transition from proportionate consolidation to the equity method:  
The Group has 33% interest in KVM Technology Solutions Private Limited and exercises joint control on them. Under Indian GAAP, the Group had proportionately consolidated its interest in this company in the consolidated financial statements. On the date of transition, the Group has accounted for its interest in this company using the equity method as against proportionate consolidation. For the application of equity method, the initial investment is measured as the aggregate of Ind AS amounts of assets and liabilities that the Group had previously proportionately consolidated.

## Notes to Financial Statements for the year ended 31st March, 2017

The following mandatory exceptions have been applied in accordance with Ind AS 101:

- i. Derecognition of financial assets and financial liabilities: The Group has opted to apply the exemption available under Ind AS 101 to apply the derecognition criteria of Ind AS 109 prospectively for the transactions occurring on or after the date of transition to Ind AS.
- ii. Estimates: Upon an assessment of the estimates made under Previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS.
- iii. Classification and measurement of financial assets: The Group has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist on the date of transition to Ind AS.
- iv. Non-Controlling Interest:

Ind AS 101 permits a first-time adopter to apply the following requirements of Ind AS 110 prospectively from the date of transition to Ind AS:

- (i) the requirement that total comprehensive income should be attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- (ii) the requirement that do not result in a loss of control, i.e., considering such a change as an equity transaction (transaction with owners in their capacity as owners) to be accounted for accordingly.

The Group has applied the requirement of Ind AS 101 prospectively from April 1, 2015.

### Reconciliations:

Ind AS 101 requires the Group to reconcile equity, total comprehensive income and cash flows for prior periods. The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101

- Reconciliation of Equity as at April 1, 2015 and as at March 31, 2016
- Reconciliation of Statement of Profit and Loss for the years ended March, 2016
- Explanation of material adjustments to cash flow statements

### Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

#### Reconciliation of equity as at March 31, 2016

				₹ in lakhs
Particulars	Notes to first-time adoption	I GAAP*	Effects of transition to Ind AS	Ind AS
<b>ASSETS</b>				
<b>Non current assets</b>				
Property, Plant and Equipment	12	6,145.68	(54.15)	6,091.53
Capital work-in-progress		666.72	-	666.72
Goodwill on consolidation		2,652.04	-	2,652.04
Other Intangible assets	8	194,135.03	155,902.98	350,038.01
<b>Financial Assets</b>				
i. Investments		2,166.22	-	2,166.22
ii. Loans	5,6,7,12 and 12	41,950.97	9,270.05	51,221.02
iii. Other financial assets		4,302.89	-	4,302.89

## Notes to Financial Statements for the year ended 31st March, 2017

₹ in lakhs

Particulars	Notes to first-time adoption	I GAAP*	Effects of transition to Ind AS	Ind AS
Deferred tax assets (net)	10 and 11	10,699.30	9,752.09	20,451.39
Income tax assets	11	2,748.32	(366.40)	2,381.92
Other non current assets	5 and 7	44,943.41	462.09	45,405.50
<b>Total non current assets</b>		<b>310,410.58</b>	<b>174,966.66</b>	<b>485,377.24</b>
<b>Current assets</b>				
<b>Financial Assets</b>				
i. Trade receivables		17.27	-	17.27
ii. Cash and cash equivalents	9 and 12	5,618.64	(89.05)	5,529.59
iii. Bank balances other than (ii) above		9,366.00	-	9,366.00
iv. Loans	12	8,438.05	(0.00)	8,438.05
v. Other financial assets	12	15,253.76	(163.97)	15,089.78
Other current assets	5, 7, 9 and 12	19,565.89	70.53	19,636.42
<b>Total current assets</b>		<b>58,259.61</b>	<b>(182.50)</b>	<b>58,077.11</b>
<b>Total assets</b>		<b>368,670.19</b>	<b>174,784.16</b>	<b>543,454.35</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital		16,256.92	-	16,256.92
Other Equity		(6,130.52)	(21,370.85)	(27,501.37)
<b>Total equity</b>		<b>10,126.40</b>	<b>(21,370.85)</b>	<b>(11,244.45)</b>
<b>LIABILITIES</b>				
<b>Non-current Liabilities</b>				
Financial liabilities				
i. Borrowings	1	265,701.84	(1,829.99)	263,871.85
ii. Trade Payables	8	5,220.00	66,155.63	71,375.63
Deferred tax liabilities [net]	10	1.59	1.86	3.45
Provisions	4	311.87	11,967.64	12,279.51
<b>Total non current liabilities</b>		<b>271,235.30</b>	<b>76,295.14</b>	<b>347,530.44</b>
<b>Current Liabilities</b>				
Financial liabilities				
i. Borrowings	1 and 12	25,061.61	(449.45)	24,612.16
ii. Trade payables	8	38,869.38	118,457.54	157,326.92
iii. Other financial liabilities	1	21,727.37	33.59	21,760.96
Other current liabilities	9 and 12	1,392.28	(48.99)	1,343.29
Provisions	2 and 4	257.85	1,867.17	2,125.02
<b>Total current liabilities</b>		<b>87,308.49</b>	<b>119,859.87</b>	<b>207,168.35</b>
<b>Total liabilities</b>		<b>358,543.79</b>	<b>196,155.01</b>	<b>554,698.79</b>
<b>Total equity and liabilities</b>		<b>368,670.19</b>	<b>174,784.16</b>	<b>543,454.35</b>

\*The Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

## Notes to Financial Statements for the year ended 31st March, 2017

### Reconciliations under Ind AS 101

#### (i) Reconciliation of Equity as at April 1 2015

Particulars	Notes to reconciliation	I GAAP*	Effects of transition to Ind AS	₹ in lakhs
				Ind AS
<b>ASSETS</b>				
<b>Non current assets</b>				
Property, Plant and Equipment		2,833.47	-	2,833.47
Capital work-in-progress		1,626.84	-	1,626.84
Goodwill on consolidation		2,652.04	-	2,652.04
Other Intangible assets	8	210,107.85	183,047.39	393,155.24
<b>Financial Assets</b>			-	
i. Investments		2,161.21	-	2,161.21
ii. Loans	5,6 and 7	43,809.81	5,963.72	49,773.53
iii. Other financial assets		3,872.62	-	3,872.62
Deferred tax assets (net)	10 and 11	9,413.93	6,397.87	15,811.80
Income tax asset	11	2,856.06	(118.16)	2,737.90
Other non current assets	5 and 7	40,176.76	517.81	40,694.57
<b>Total non current assets</b>		<b>319,510.58</b>	<b>195,808.64</b>	<b>515,319.22</b>
<b>Current assets</b>				
<b>Financial Assets</b>				
i. Investments		1,063.30	-	1,063.30
ii. Trade receivables		2,582.75	-	2,582.75
iii. Cash and cash equivalents	9	4,911.44	(0.33)	4,911.11
iv. Bank balances other than (iii) above		8,570.34	-	8,570.34
v. Loans		5,408.10	0.00	5,408.10
vi. Other financial assets		8,407.49	0.00	8,407.49
Other current assets	1,5, 7 and 9	13,107.22	65.27	13,172.49
<b>Total current assets</b>		<b>44,050.64</b>	<b>64.94</b>	<b>44,115.58</b>
<b>Total assets</b>		<b>363,561.22</b>	<b>195,873.58</b>	<b>559,434.80</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital		11,149.43	-	11,149.43
Other Equity		(33,793.90)	(15,249.20)	(49,043.10)
<b>Total equity</b>		<b>(22,644.47)</b>	<b>(15,249.20)</b>	<b>(37,893.67)</b>
<b>LIABILITIES</b>				
<b>Non-current Liabilities</b>				
Financial liabilities				
i. Borrowings	1	295,676.18	(2,164.62)	293,511.56
ii. Trade Payables	8	10,440.00	129,987.84	140,427.84
Deferred tax liabilities [net]	10	-	20.50	20.50
Provisions	2 and 4	227.38	8,101.27	8,328.65
<b>Total non current liabilities</b>		<b>306,343.56</b>	<b>135,944.99</b>	<b>442,288.55</b>
<b>Current Liabilities</b>				
Financial liabilities				
i. Borrowings	1	20,716.37	(17.65)	20,698.72
ii. Trade payables	8	31,904.31	74,609.26	106,513.57
iii. Other financial liabilities	1	25,536.71	(15.86)	25,520.85

## Notes to Financial Statements for the year ended 31st March, 2017

₹ in lakhs

Particulars	Notes to reconciliation	I GAAP*	Effects of transition to Ind AS	Ind AS
Other current liabilities		1,656.50	0.01	1,656.51
Provisions	2 and 4	48.23	602.03	650.27
<b>Total current liabilities</b>		<b>79,862.12</b>	<b>75,177.79</b>	<b>155,039.92</b>
<b>Total liabilities</b>		<b>386,205.68</b>	<b>211,122.78</b>	<b>597,328.47</b>
<b>Total equity and liabilities</b>		<b>363,561.22</b>	<b>195,873.58</b>	<b>559,434.80</b>

## (iii) Reconciliation of profit or loss for the year ended 31 March 2016

₹ in lakhs

Particulars	Notes to first-time adoption	I GAAP*	Effects of Transition to Ind AS	Ind AS
I. Revenue from operations	9 and 13	200,680.01	(10,160.74)	190,519.27
II. Other income	5,6,7 and 12	4,070.30	3,499.24	7,569.54
<b>III. Total Income ( I + II)</b>		<b>204,750.31</b>	<b>(6,661.50)</b>	<b>198,088.81</b>
<b>IV. Expenses</b>				
Operating and maintenance expenses	4,7,8,9 and 12	133,328.74	(107,327.71)	26,001.03
Employee Benefits Expenses	12 and 13	7,753.44	(310.09)	7,443.35
Changes in inventories of finished goods and work in progress			-	-
Finance costs	1,4,8 and 9	38,323.13	25,895.66	64,218.79
Depreciation and amortisation expense	8	17,062.17	84,156.53	101,218.70
Other expenses	5,9, and 12	4,114.07	(118.66)	3,995.41
<b>Total Expenses (IV)</b>		<b>200,581.55</b>	<b>2,295.73</b>	<b>202,877.28</b>
<b>V. Profit/(loss) before exceptional items, share of net profits of investment accounted for using equity method and tax</b>		<b>4,168.76</b>	<b>(8,957.23)</b>	<b>(4,788.47)</b>
Share of profit / (Loss) in Joint Venture and Associates accounted for using the equity method (net of tax)		-	(445.76)	(445.76)
<b>Profit/(loss) before exceptional item and tax</b>		<b>4,168.76</b>	<b>(9,402.99)</b>	<b>(5,234.23)</b>
Exceptional items		-	-	-
<b>Profit/(loss) before tax</b>		<b>4,168.76</b>	<b>(9,402.99)</b>	<b>(5,234.23)</b>
<b>VI. Income Tax expense</b>				
Current tax				-
For Current year		3,310.36	-	3,310.36
For Previous year		(242.25)	-	(242.25)
Deferred tax	10	(1,532.01)	(3,111.73)	(4,643.74)
<b>Total tax expense</b>		<b>1,536.10</b>	<b>(3,111.73)</b>	<b>(1,575.63)</b>
<b>VII. Profit from continuing operations (VIII-IX)</b>		<b>2,632.66</b>	<b>(6,291.26)</b>	<b>(3,658.60)</b>
<b>VIII. Other Comprehensive Income/(loss) from continued operations</b>				
(i) Items that will not be reclassified to profit or loss				-
Remeasurement of defined benefit obligations	13		(38.95)	(38.95)
(ii) Income tax relating to above items that will not be reclassified to profit or loss	10		12.89	12.89
<b>IX. Other Comprehensive Income/(loss) from continued operations (Net of tax)</b>		<b>-</b>	<b>(26.06)</b>	<b>(26.06)</b>
<b>X. Total Comprehensive Income/(loss) from continued operations (X+XI) (Comprising Profit and Other Comprehensive Income for the period)</b>		<b>2,632.66</b>	<b>(6,317.32)</b>	<b>(3,684.66)</b>

## Notes to Financial Statements for the year ended 31st March, 2017

### (iv) Reconciliation of total equity:

Reconciliation of net worth as at 31 March 2016 and 2015

amount in ₹

Particulars	Footnote ref.	As on March 31, 2016	As on April 1, 2015
<b>Net worth under IGAAP</b>		<b>(10,126.41)</b>	<b>22,644.47</b>
<b>Summary of Ind AS adjustments</b>			
Floating rate borrowing - EIR Adjustment	1	(1,801.62)	(2,183.82)
Fixed rate borrowing - EIR Adjustment	1	(6.35)	(13.84)
Reversal of proposed dividend	2	(162.57)	
Reversal of dividend distribution tax	3	(33.10)	
Provision of significant maintenance obligation	4	14,030.48	8,703.31
Fair value of security deposit	5	2.55	2.40
Loan given with step up interest (EIR calculation)	6	(10,071.25)	(6,620.54)
Fair value of performance security	7	85.24	71.72
Intangible assets - Toll collection rights	8	28,711.81	21,549.70
Equity accounting of KVM Technology Solutions Pvt Ltd	9	(0.51)	(0.51)
Deferred Tax Impact	10	(9,383.84)	(6,259.22)
Total Ind AS adjustments		<b>30,754.69</b>	<b>21,508.42</b>
<b>Total Deferred Tax impact on Ind AS adjustment</b>		<b>(9,383.84)</b>	<b>(6,259.22)</b>
<b>IND AS Net Worth</b>		<b>11,244.45</b>	<b>37,893.67</b>

### Reconciliation of Consolidated Statement of Profit and Loss for the year ended on 31 March 2016

amount in ₹

Particulars	Footnote ref.	As on March 31, 2016
<b>Comprehensive income under IGAAP</b>		<b>2,632.66</b>
Floating rate borrowing - EIR Adjustment	1	(382.20)
Fixed rate borrowing - EIR Adjustment	1	(7.49)
Provision of significant maintenance obligation	4	(5,327.17)
Fair value of security deposit	5	(0.15)
Loan given with step up interest (EIR calculation)	6	3,450.70
Fair value of performance security	7	(13.52)
Intangible assets - Toll collection rights	8	(7,162.11)
Impact of Deferred Tax on above adjustment	10	2,943.78
Change in deferred Tax	10	180.84
<b>Total Ind AS adjustments</b>		<b>(6,317.32)</b>
<b>Comprehensive income under Ind AS</b>		<b>(3,684.66)</b>

#### Notes to the reconciliation:

- Under previous GAAP, the Company accounted for the loan arrangement fees as an expense to Profit and Loss account. However under Ind AS, loan arrangement fees have to be amortised on EIR basis.
- Under IND AS, Dividends declared after the reporting period but before the financial statements are authorized for issue, are not recognised as a liability because no obligation exists as at the end of the reporting period and the same is disclosed in the notes. Declaration of dividend is considered as non-adjusting event and hence shall be recognised in the year in which it is paid.
- Under IND AS, Obligation of payment of taxes on dividends actualizes when the shareholders approve the dividend payment and hence, are not recognised as a liability. Proposed dividend and related dividend distribution tax are recognised in the year in which it is paid.

## Notes to Financial Statements for the year ended 31st March, 2017

- 4 Under previous GAAP, Group accounted for major maintenance expense as and when incurred. However under Ind AS, Group would have to determine the initial provision based on the state of Highway as at that date and the discounted value is recognised as provision. Group shall recognise the unwinding of the discount of the provision as a finance cost every reporting period.
- 5 Under previous GAAP, security deposits are carried at their face values. Under Ind AS, non-cancellable deposits (not statutory deposits in nature) are required to be measured at their fair values at inception using an appropriate discounting rate.
- 6 Under previous GAAP, Group accounted for step up interest loan on cost basis. However under Ind AS, the loan will be measured at amortised cost using EIR method such that the interest rate will be applied constantly over the tenure of loan.
- 7 Under previous GAAP, performance security are carried at their face values. Under Ind AS, non-cancellable deposits (not statutory deposits in nature) are required to be measured at their fair values at inception using an appropriate discounting rate.
- 8 Pursuant to the adoption of Ind AS, effective from 1 April 2015, all toll collection rights acquired have been accounted as "intangible assets" as required under Ind AS 38 and are amortised over the period of the respective contracts. In addition, corresponding liability which is payable to authority against acquisition of toll collection rights is recognised as trade payables. The payment under these contracts, hitherto were recognised as operating and maintenance expenditure.
- 9 Under previous GAAP, KVM Technology Solutions Private Limited was consolidated using proportionate method, however under Ind AS 28, equity accounting is used to consolidate KVM Technology Solutions Private Limited
- 10 Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. It also includes impact of deferred tax arising on account of transition to IND AS.
- 11 Under Ind AS, MAT credit entitlement is reclassified as deferred tax asset.
- 12 Under previous GAAP, SMYR Consortium LLP was consolidated using proportionate method, however under Ind AS 28, equity accounting is used to consolidate SMYR Consortium LLP
- 13 Under Previous GAAP, Company recognises actuarial gains/losses on defined benefit plan in the profit and loss account. Under Ind AS, the actuarial gains and losses will be recognised in other comprehensive income as remeasurements.

### Statement of cash flows:

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 2 – PROPERTY, PLANT AND EQUIPMENT – AS AT MARCH 31, 2017

Property, Plant and Equipment – as at March 31, 2017

₹ in lakhs

Particulars	Gross Block			Accumulated Depreciation			Net Block			
	As at April 01, 2016	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2017	As at April 01, 2016	Charge for the year	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Lease hold Land #	25.88			25.88	0.29	0.29		0.58	25.30	25.59
Office Premises @	981.10	1.16		982.26	39.82	58.53		98.35	883.91	941.28
Vehicles	1,297.62	90.53	199.42	1,188.73	325.59	328.87	116.40	538.06	650.67	972.03
Computers	299.97	199.98	123.84	376.11	154.41	135.96	59.66	230.71	145.40	145.56
Toll Equipments	2,409.33	775.69	998.99	2,186.03	431.83	370.69	224.39	578.13	1,607.90	1,977.50
Office Equipments	237.73	71.95	2.03	307.65	70.37	68.10	0.39	138.08	169.57	167.36
Furniture and fixtures	114.51	182.70		297.21	40.25	50.18		90.43	206.78	74.26
Buildings	501.59	15.76	24.02	493.33	2.62	42.39	0.79	44.22	449.11	498.97
Plant and Machinery	1,308.40	298.38	455.42	1,151.36	19.42	252.93	58.60	213.75	937.61	1,288.98
<b>Total</b>	<b>7,176.13</b>	<b>1,636.15</b>	<b>1,803.72</b>	<b>7,008.56</b>	<b>1,084.60</b>	<b>1,307.94</b>	<b>460.23</b>	<b>1,932.31</b>	<b>5,076.25</b>	<b>6,091.53</b>
Capital Work in Progress	666.72	2,972.70	824.09	2,815.33					2,815.33	666.72

Property, Plant and Equipment – as at March 31, 2016

₹ in lakhs

Particulars	Gross Block			Accumulated Depreciation			Net Block			
	As at April 01, 2015	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2016	As at April 01, 2015	Charge for the year	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
Lease hold Land #	25.88			25.88	-	0.29		0.29	25.59	25.88
Office Premises @	382.45	598.65		981.10	-	39.82		39.82	941.28	382.45
Vehicles	577.41	720.21		1,297.62	-	325.59		325.59	972.03	577.41
Computers	180.40	123.33	3.76	299.97	-	157.23	2.82	154.41	145.56	180.40
Toll Equipments	1,382.72	1,032.72	6.11	2,409.33	-	433.76	1.93	431.83	1,977.50	1,382.72
Office Equipments	193.96	43.77		237.73	-	70.37		70.37	167.36	193.96
Furniture and fixtures	90.65	23.86		114.51	-	40.25		40.25	74.26	90.65
Buildings	-	501.59		501.59	-	2.62		2.62	498.97	-
Plant and Machinery	-	1,308.40		1,308.40	-	19.42		19.42	1,288.98	-
<b>Total</b>	<b>2,833.47</b>	<b>4,352.53</b>	<b>9.87</b>	<b>7,176.13</b>		<b>1,089.35</b>	<b>4.75</b>	<b>1,084.60</b>	<b>6,091.53</b>	<b>2,833.47</b>
Capital work-in-progress	1,626.84	854.51	1,814.63	666.72					666.72	1,626.84

Property, Plant and Equipment – as at April 01, 2015

₹ in lakhs

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	As at April 01, 2015	Additions/ Adjustments	Deductions/ Adjustments	As at April 01, 2015	Charge for the year	Deductions/ Adjustments	As at April 01, 2015	
<b>Tangible Assets:</b>								
Lease hold Land #	25.88			25.88			25.88	
Office Premises @	382.45			382.45			382.45	
Vehicles	577.41			577.41			577.41	
Computers	180.40			180.40			180.40	
Toll Equipments	1,382.72			1,382.72			1,382.72	
Office Equipments	193.96			193.96			193.96	
Furniture and fixtures	90.65			90.65			90.65	
<b>Total</b>	<b>2,833.47</b>			<b>2,833.47</b>			<b>2,833.47</b>	
Capital work-in-progress	1,626.84			1,626.84			1,626.84	

The Group has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2015 under the previous GAAP

₹ in lakhs

Property, plant and equipment	Gross Block	Accumulated Depreciation	Net Block
Leasehold Land #	26.75	0.87	25.88
Office premises@	464.50	82.05	382.45
Vehicles	1,537.79	960.38	577.41
Computer system	526.22	345.82	180.40
Toll equipments	2,011.12	628.39	1,382.73
Office equipments	286.40	92.44	193.96
Furnitures and fixtures	201.38	110.73	90.65
<b>Total</b>	<b>5,054.16</b>	<b>2,220.68</b>	<b>2,833.47</b>

#### Other Notes:

# 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.

## Notes to Financial Statements as at 31st March, 2017

## NOTE 3 – INTANGIBLE ASSETS – AS AT MARCH 31, 2017

Intangible Assets – as at March 31, 2017

₹ in lakhs

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 01, 2016	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2017	As at April 01, 2016	Charge for the year	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2017	As at April 01, 2016
Toll collection rights	549,354.52	46,313.85	88,485.86	507,182.51	199,316.51	85,492.98	16,404.63	268,404.86	238,777.65	350,038.01
Goodwill on Consolidation	2,652.04		33.99	2,618.05					2,618.05	2,652.04
<b>Total</b>	<b>552,006.56</b>	<b>46,313.85</b>	<b>88,519.85</b>	<b>509,800.56</b>	<b>199,316.51</b>	<b>85,492.98</b>	<b>16,404.63</b>	<b>268,404.86</b>	<b>241,395.70</b>	<b>352,690.05</b>

Property, Plant and Equipment – as at March 31, 2016

₹ in lakhs

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 01, 2015	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2016	As at April 01, 2015	Charge for the year	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2016	As at April 01, 2015
<b>Intangible Assets:</b>										
Toll collection rights	497,156.75	57,233.59	5,035.82	549,354.52	104,001.51	100,129.35	4,814.35	199,316.51	350,038.01	393,155.24
Goodwill on Consolidation	2,652.04			2,652.04	-				2,652.04	2,652.04
<b>Total</b>	<b>499,808.79</b>	<b>57,233.59</b>	<b>5,035.82</b>	<b>552,006.56</b>	<b>104,001.51</b>	<b>100,129.35</b>	<b>4,814.35</b>	<b>199,316.51</b>	<b>352,690.05</b>	<b>395,807.28</b>

Property, Plant and Equipment – as at April 01, 2015

₹ in lakhs

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 01, 2014	Additions/ Adjustments	Deductions/ Adjustments	As at April 01, 2015	As at April 01, 2014	Charge for the year	Deductions/ Adjustments	As at April 01, 2015	As at March 31, 2015	
<b>Intangible Assets:</b>										
Toll collection rights	261,101.10	271,145.79	35,090.14	497,156.75	50,993.25	60,817.80	7,809.54	104,001.51	393,155.24	
Goodwill on Consolidation	2,652.04			2,652.04				-	2,652.04	
<b>Total</b>	<b>263,753.14</b>	<b>271,145.79</b>	<b>35,090.14</b>	<b>499,808.79</b>	<b>50,993.25</b>	<b>60,817.80</b>	<b>7,809.54</b>	<b>104,001.51</b>	<b>395,807.28</b>	

## Depreciation and Amortisation expense

₹ in lakhs

Particulars	For the year ended March 31, 2017	As at March 31, 2016
Depreciation on Property, Plant and Equipment	1,307.94	1,089.35
Amortisation	85,492.98	100,129.35
	86,800.92	101,218.70

## Impairment review

## Impairment testing for cash generating unit (CGU) containing goodwill

The goodwill at each CGU level is tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount is less than its carrying value. The recoverable amount is based on a value-in-use calculation using the discounted cash flow method. The value-in-use calculation is made using pre-tax Budgeted EBITDA projections based on the Management forecasts of the contract tenure (after considering the relevant long-term growth rate). Remaining contract tenure is in the range of 6 to 13 years, given the term of the contract signed with the government authorities. No terminal value is included as these cash flows are exceeding their carrying value. The methods used to determine recoverable amounts have remained consistent with the prior year.

Goodwill acquired through business combinations with indefinite lives has been allocated to the following CGU's:

₹ in lakhs

Name of the Entities	2016-17	2015-16	2014-15
MEP Infrastructure Private Limited	1,012.30	1,012.30	1,012.30
MEP Hyderabad Bangalore Toll Road Private Limited	0.48	0.48	0.48
Baramati Tollways Private Limited	1,605.28	1,605.28	1,605.28
MEP RGSL Toll Bridge Private Limited	-	0.24	0.24
Raima Ventures Private Limited	-	0.19	0.19
Raima Toll Road Private Limited	-	0.18	0.18
Raima Toll and Infrastructure Private Limited	-	0.04	0.04
MEP Chennai Bypass Toll Road Private Limited	-	28.75	28.75
MEP IRDP Solapur Toll Road Private Limited	-	1.22	1.22
MEP Nagzari Toll Road Private Limited	-	3.36	3.36
<b>Total</b>	<b>2,618.05</b>	<b>2,652.04</b>	<b>2,652.04</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 3 – INTANGIBLE ASSETS – AS AT MARCH 31, 2017 (CONTD.)

The keys assumptions used in value- in- use calculation are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external / internal sources of information.

Based on the above assumptions and analysis, during the year ended 31 March 2017, Group recorded impairment charge of Rs. 33.99 Lakhs. No impairment was identified for any of the CGU as at 31 March 2016 and 1 April 2015 as the recoverable value of the CGU exceeded the carrying value.

### NOTE 4 – NON CURRENT FINANCIAL ASSETS–INVESTMENTS IN JOINT VENTURES

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>Non- trade investments in Joint Venture &amp; Associate</b>			
3300 (previous year: 3300) equity shares of KVM Technology Solution Private Limited of Rs 10 each	6.99	-	-
SMYR Consortium LLP	-	-	-
29,607,400 (previous year : Nil) equity shares of MEP Nagpur Ring Road 1 Private Limited of ₹ 10 each	3,029.10	-	-
35,726,600 (previous year : Nil) equity shares of MEP Sanjose Nagpur Ring Road 2 Private Limited of ₹ 10 each	3,577.98	-	-
32,917,400 (previous year : Nil) equity shares of MEP Sanjose Arwali Kante Road Private Limited of ₹ 10 each	3,271.66	-	-
45,867,400 (previous year : Nil) equity shares of MEP Sanjose Kante Waked Road Private Limited of ₹ 10 each	4,563.43	-	-
6,000 (previous year : Nil) equity shares of MEP Sanjose Talaja Mahuva Road Private Limited of Rs 10 each	-	-	-
6,000 (previous year : Nil) equity shares of MEP Sanjose Mahuva Kagavadar Road Private Limited of Rs 10 each	-	-	-
<b>TOTAL</b>	<b>14,449.16</b>	<b>-</b>	<b>-</b>

Associate and Joint Ventures are consolidated using equity method of accounting, i.e. the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

As at 1st April 2015 and 31st March 2016, Group shares of KVM Technology Solution Private Limited loss exceeds the investment value and hence the investment amount is appearing zero in these years.

As at 31st March 2016, Group shares of SMYR Consortium LLP loss exceeds the investment value and hence the investment amount is appearing zero.

As at 31st March 2017, Group shares of MEP Sanjose Talaja Mahuva Road Private Limited loss exceeds the investment value and hence the investment amount is appearing zero.

As at 31st March 2017, Group shares of MEP Sanjose Mahuva Kagavadar Road Private Limited loss exceeds the investment value and hence the investment amount is appearing zero.

## Notes to Financial Statements as at 31st March, 2017

## NOTE 5 – NON CURRENT FINANCIAL ASSETS–INVESTMENTS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>Non – trade preference shares</b>			
12% Non-cumulative Redeemable Preference Shares of Rs. 10 each			
2,09,00,000 (Previous Year : 2,09,00,000) Preference Shares of Ideal Hospitality Private Limited of Rs. 10 each	2,090.00	2,090.00	2,090.00
<b>Non – trade equity investments</b>			
<b>Unquoted, fully paid up</b>			
3,300 (previous year : 3,300) equity shares of A J Toll Private Limited of Rs 100 each.	-	3.30	3.30
54,000 (previous year : 4,000) equity shares of Jankalyan Sahakari Bank Limited of Rs 10 each.	5.40	0.40	0.40
93,080 (previous year : 60,080) equity shares of The Kalyan Janata Sahakari Bank Limited of Rs 25 each.	23.27	15.02	15.02
9,980 (previous year : 9,980) equity shares of Thane Janata Sahakari Bank Limited of Rs 50 each.	4.99	4.99	4.99
11,040 (previous year: 11,040) equity shares of Dombivali Nagari Sahakari Bank Limited of Rs.50 each.	5.52	5.52	5.52
76,950 (previous year: 76,950) equity shares of Jankalyan Sahakari Bank Limited of Rs.50 each.	38.48	38.48	38.48
14,030 (previous year: 14,030) equity shares of The Ambernath Jai Hind Co Op Bank Limited of Rs 25 each.	3.51	3.51	3.51
5,010 (previous year : Nil) equity shares of The Ambernath Jai Hind Co Op Bank Limited of Rs 100 each.	5.01	5.01	-
<b>TOTAL</b>	<b>2,176.18</b>	<b>2,166.22</b>	<b>2,161.21</b>

## NOTE 6 – NON CURRENT FINANCIAL ASSETS–LOANS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>To related parties :</b>			
Loans and Advances* [Refer note below (ii)]	42,104.05	43,071.25	42,467.72
Advance consideration for acquisition of equity shares [Refer note below (i)]	6,309.00	-	0.16
<b>To parties other than related parties :</b>			
Security Deposits	85.13	60.96	45.74
Loans and Advances to Employees	12.65	19.18	25.45
Other loans	-	7,701.45	6,526.45
Performance security	472.78	368.18	708.01
<b>Total</b>	<b>48,983.61</b>	<b>51,221.02</b>	<b>49,773.53</b>

\*Refer Note 13 for the Current Portion of Non-current Loans

## Notes to Financial Statements as at 31st March, 2017

### NOTE 6 – NON CURRENT FINANCIAL ASSETS–LOANS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED) (CONTD.)

#### I. Advance consideration for acquisition of equity shares

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
MEP Nagpur Ring Road 1 Pvt. Ltd.	2,011.79	-	-
MEP Sanjose Arawali Kante Road Pvt. Ltd	110.10	-	-
MEP Sanjose Kante Waked Road Pvt. Ltd	129.20	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	611.92	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.	1,976.94	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	1,469.05	-	-
<b>Total</b>	<b>6,309.00</b>	<b>-</b>	<b>-</b>

#### II. Loans and Advances to Related Party

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
MEP Hamirpur Bus Terminal Private Limited			0.61
MEP Una Bus Terminal Private Limited			1.92
Ideal Toll & Infrastructure Private Limited	42,104.05	43,071.25	42,465.19
<b>Total</b>	<b>42,104.05</b>	<b>43,071.25</b>	<b>42,467.72</b>

### NOTE 7 – NON CURRENT FINANCIAL ASSETS–OTHERS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Bank Deposits with maturity beyond 12 months	2,488.38	3,778.10	3,646.03
Interest accrued on fixed deposits	207.74	343.41	226.59
Advances recoverable in cash or kind	-	181.38	-
<b>Total</b>	<b>2,696.12</b>	<b>4,302.89</b>	<b>3,872.62</b>

### NOTE 8 – TAXATION

#### i. Amounts recognised in profit or loss

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Current Tax		
Current year	1,057.29	3,068.11
<b>Total current tax</b>	<b>1,057.29</b>	<b>3,068.11</b>
Deferred tax		
Deferred tax on origination and reversal of temporary differences	5,268.06	(4,643.74)
<b>Total deferred tax</b>	<b>5,268.06</b>	<b>(4,643.74)</b>
<b>Total Income tax (income) / expense</b>	<b>6,325.35</b>	<b>(1,575.63)</b>

#### ii. Tax charge recognised directly to Other Comprehensive Loss

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Remeasurement of defined benefit obligations	71.52	38.95
Tax expenses	(23.35)	(12.89)
<b>Net of tax</b>	<b>48.17</b>	<b>26.06</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 8 - TAXATION (CONTD.)

#### iii. Reconciliation of effective tax

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit / (loss) before tax as per Statement of Profit and loss	17,217.85	(5,234.23)
Tax using the domestic tax rate of the parent	5,958.75	(1,811.46)
<b>Tax effects of:</b>		
Deferred tax asset was not recognised in previous years for tax losses	(22.36)	(1.73)
Current year tax losses for which no deferred income tax is recognised	373.05	683.79
Expenses not deductible for tax purposes	40.45	129.00
Income not chargeable to tax	(0.58)	(7.15)
Tax incentive	(96.99)	(980.08)
Others	48.56	297.17
Recognition of income tax of previous years	(16.30)	(165.69)
Lower tax rate of subsidiary	43.17	307.09
Profits of Joint Venture not chargeable to income tax	(2.42)	154.27
Change in tax rate		(180.84)
Income tax expense	6,325.34	(1,575.63)
Effective tax rate	36.74%	30.10%

#### iv. Deferred Tax Assets

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Deferred tax assets</b>			
Carry forward business loss and unabsorbed depreciation	45,761.29	45,239.10	39,979.47
Provision for employee benefits	187.70	178.13	92.99
MAT Credit entitlement	371.60	366.38	118.15
Provision for resurfacing	5,080.49	4,213.56	2,494.52
Security Deposit/ Performance Security	30.16	27.29	23.06
Intangible assets	9,228.93	8,803.57	6,474.09
Total deferred tax assets	60,660.17	58,828.03	49,182.28
<b>Deferred tax liabilities</b>			
Excess of depreciation / amortisation on fixed / intangible assets in income-tax law over depreciation / amortisation provided in accounts.	(36,688.94)	(34,708.86)	(30,648.84)
Loan to related party	(2,813.15)	(3,112.02)	(2,051.78)
Borrowing	(482.90)	(555.76)	(669.86)
Straightling of upfront lease charges paid	(5.85)	-	-
Reversal of Intangible asset on termination	(3,578.00)	-	-
Reversal of provision (Significant Maintenance Obligation)	(1,888.09)	-	-
Total deferred tax liabilities	(45,456.93)	(38,376.64)	(33,370.48)
Deferred tax asset (net)	15,203.24	20,451.39	15,811.80

## Notes to Financial Statements as at 31st March, 2017

### NOTE 8 – TAXATION (CONTD.)

#### v. Deferred Tax liabilities

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
Deferred tax liabilities			
Borrowings	-	0.08	7.43
Intangible assets	-	4.57	9.42
Excess of depreciation / amortisation on fixed / intangible assets in income-tax law over depreciation / amortisation provided in accounts.	-	-	3.84
Gross Deferred tax liabilities	-	4.65	20.69
Deferred tax assets	-	-	-
Carry forward business loss and unabsorbed depreciation	-	-	-
Provision for employee benefits	-	-	(0.19)
Excess of depreciation / amortisation on fixed / intangible assets in income-tax law over depreciation / amortisation provided in accounts.	-	(1.20)	-
Gross Deferred tax assets	-	(1.20)	(0.19)
<b>Net Deferred tax Liabilities</b>	<b>-</b>	<b>3.45</b>	<b>20.50</b>

#### vi. Movement in deferred tax balances

₹ in lakhs

Particulars	Net balance April 1, 2015	Recognised in profit or loss	Recognised in OCI	As at March 31, 2016	Recognised in profit or loss	Recognised in OCI	As at March 31, 2017
Carry forward business loss and unabsorbed depreciation	39,979.47	5,259.63		45,239.10	522.19	-	45,761.29
MAT Credit entitlement	112.11	254.27		366.38	5.22		371.60
Intangible asset	(24,178.59)	(1,730.07)		(25,908.66)	(5,129.35)		(31,038.01)
Borrowing	(677.28)	121.44		(555.84)	78.79		(477.05)
Provision for resurfacing	2,485.10	1,728.46		4,213.56	(1,027.00)		3,186.56
Loan to related parties	(2,045.75)	(1,066.27)		(3,112.01)	298.86		(2,813.15)
Security Deposit/ Performance Security	23.06	4.22		27.29	2.88		30.16
Straightling of upfront lease charges paid				-	(5.85)		(5.85)
Provision for employee benefits	93.18	72.06	12.89	178.13	(13.78)	23.35	187.70
	<b>15,791.30</b>	<b>4,643.75</b>	<b>12.89</b>	<b>20,447.94</b>	<b>(5,268.05)</b>	<b>23.35</b>	<b>15,203.24</b>

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

As at 31 March 2017, undistributed earning of subsidiaries and joint ventures amounted to Rs. 5,936.22 lakhs (March 31 2016: Rs. 3,517.63 lakhs; April 1 2015: 1,230.53 lakhs) The corresponding deferred tax liability of Rs. 1,208.50 lakhs. (March 31 2016: Rs. 716.12 lakhs; April 1 2015: 250.51 lakhs) was not recognised because the Company controls the dividend policy of its subsidiaries and is able to veto the payment of dividends of its joint ventures - i.e. the Company controls the timing of reversal of the related taxable temporary differences and management is satisfied that they will not reverse in the foreseeable future.

#### vii. Tax losses carried forward

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

## Notes to Financial Statements as at 31st March, 2017

### NOTE 8 - TAXATION (CONTD.)

₹ in lakhs

Nature of loss	March 31, 2017		March 31, 2016		April 1, 2015	
	Gross amount	Expiry date	Gross amount	Expiry date	Gross amount	Expiry date
Business loss	1,550.74	31.03.2020	1,550.74	31.03.2020	1,648.22	31.03.2020
Business loss	337.24	31.03.2021	337.43	31.03.2021	337.43	31.03.2021
Business loss	6,430.47	31.03.2022	7,007.13	31.03.2022	7,007.13	31.03.2022
Business loss	7,340.42	31.03.2023	7,864.33	31.03.2023	7,830.53	31.03.2023
Business loss	1,176.21	31.03.2024	1,143.01	31.03.2024	-	
Business loss	2,067.93	31.03.2025	-		-	
Short-term Capital loss	4.15	31.03.2023	4.15	31.03.2023	4.15	31.03.2023
Short-term Capital loss	-		39.47	31.03.2017	39.47	31.03.2017
Unabsorbed depreciation	878.22	No expiry date	633.04	No expiry date	788.41	No expiry date

### NOTE 9 - OTHER NON CURRENT ASSETS

Unsecured, considered good unless otherwise stated

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Capital advances to related party (Refer note no. below i)	2,297.77	2,463.77	2,694.30
Balance with statutory authorities	115.00	24.38	19.51
Prepaid expenses	697.10	648.51	893.48
Mobilisation advance*	50,249.04	33,402.44	33,944.26
Capital advances to others	4,317.18	8,866.40	3,143.02
<b>Total</b>	<b>57,676.09</b>	<b>45,405.50</b>	<b>40,694.57</b>

\* Current portion Refer Note no. 15.

#### i. Capital advances to related parties

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Ideal Toll & Infrastructure Private Limited	2,297.77	2,463.77	2,694.30
<b>Total</b>	<b>2,297.77</b>	<b>2,463.77</b>	<b>2,694.30</b>

### NOTE 10 - CURRENT FINANCIAL ASSETS- INVESTMENTS (QUOTED)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
In Units of Mutual Funds			
1,04,757.53 NAV Rs 1,000.54 face value Rs 1,000/- each IDFC Cash Fund Plan	-	-	1,063.30
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,063.30</b>
Aggregate book value of Quoted Investments	-	-	1,063.30
Aggregate market value of Quoted Investments	-	-	1,063.30

## Notes to Financial Statements as at 31st March, 2017

### NOTE 11 – CURRENT FINANCIAL ASSETS–TRADE RECEIVABLES

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade receivables			
Unsecured considered good	3,539.73	17.27	2,582.75
<b>Total</b>	<b>3,539.73</b>	<b>17.27</b>	<b>2,582.75</b>

### Enterprises over which significant influence is exercise by key managerial personnel/jointly controlled entities

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
D.S Enterprises	42.28	-	2,551.53
MEP Nagpur Ring Road 1 Pvt. Ltd.	1,144.86	-	-
MEP Sanjose Arawali Kante Road Pvt. Ltd	329.30	-	-
MEP Sanjose Kante Waked Road Pvt. Ltd	340.25	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	341.35	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.	883.34	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	411.74	-	-

The carrying amounts of trade receivables as at the reporting date are a reasonable approximation of their fair values. Trade receivables are predominantly non-interest bearing. Trade receivables are shown net of an allowance for bad or doubtful debts.

Refer Note 34 for Information about Credit Risk of Trade Receivables

### NOTE 12 i. – CURRENT FINANCIAL ASSETS–CASH AND CASH EQUIVALENTS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Bank balances			
- Current accounts	1,414.18	1,835.60	2,638.40
Deposit Accounts with less than or equal to 3 months maturity	935.05	73.23	35.87
Unclaimed Dividend	0.35		
Cash on hand	1,188.90	3,620.76	2,236.84
<b>Cash and cash equivalents as presented in the Balance sheet</b>	<b>3,538.48</b>	<b>5,529.59</b>	<b>4,911.11</b>

Bank balances and term deposits with banks held by the Company on a short-term basis with original maturity of three months or less. The carrying amount of cash equivalents as at reporting date at fair value.

### ii. Current Financial Assets–bank balances

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Bank deposits with maturity from 3–12 months	10,883.16	9,366.00	8,570.34
<b>Total</b>	<b>10,883.16</b>	<b>9,366.00</b>	<b>8,570.34</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 12 ii. – CURRENT FINANCIAL ASSETS–BANK BALANCE

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	935.05	73.23	35.87
Bank deposits due to mature within 12 months from the reporting date included under 'Other bank balances'	10,883.16	9,366.00	8,570.34
Bank deposits due to mature after 12 months from the reporting date included under 'Other non current assets' (Refer Note 7 )	2,488.38	3,778.10	3,646.03
<b>Total</b>	<b>14,306.59</b>	<b>13,217.33</b>	<b>12,252.24</b>

- 1) Bank deposit include fixed deposits with various banks of Rs. 4,151.66 lakhs (March 31, 2016: Rs. 4,315.56 lakhs and April 1, 2015: Rs 3,745.76 lakhs) which are provided as lien for the bank guarantee given to various authorities.
- 2) Bank deposits include fixed deposits with various banks of Rs 8,744.11 lakhs (March 31, 2016: 7,887.51 lakhs and April 1, 2015: Rs 7,491.18 lakhs) which are provided as lien to the banks and financial institutions for maintenance of Debt Service Reserve Account.
- 3) Bank deposits include fixed deposits with various banks of Rs 130.00 lakhs (March 31, 2016: 139.25 lakhs and April 1, 2015: Rs 140.29 lakhs) which are placed as a security for loan taken from the bank.
- 4) Bank deposits of Rs 1,271.82 lakhs (March 31, 2016: Rs, 875 lakhs and April 1, 2015: Rs 875.00 lakhs) with banks are provided as cash margin for bank facility taken from the bank.

### NOTE 13 – CURRENT FINANCIAL ASSETS–LOANS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>To related Parties :</b>			
Loans and Advances (Refer note below i)	2,832.33	2,822.01	200.00
<b>To parties other than related parties :</b>			
<b>Loans and Advances to Employees</b>	10.75	8.20	17.89
Loans and Advances to Others	17,601.52	206.95	200.00
Performance security	2,788.50	5,019.00	4,980.02
Security Deposits	219.12	381.89	10.19
<b>Total</b>	<b>23,452.22</b>	<b>8,438.05</b>	<b>5,408.10</b>

#### i. Loans and Advances to Related Party

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Ideal Toll & Infrastructure Private Limited	2,622.01	2,622.01	-
Rideema Enterprises	7.26	-	-
MEP Toll Gates Private Limited	203.06	200.00	200.00
<b>Total</b>	<b>2,832.33</b>	<b>2,822.01</b>	<b>200.00</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 14 – OTHER CURRENT FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Interest Accrued on Bank Deposits	413.88	175.09	229.38
Interest Accrued on loans to related parties	3,504.49	44.82	54.76
Unbilled Revenue (Refer note 40 )	2,933.89	-	-
Advances recoverable in cash	104.59	4,829.48	2,702.83
Interest Accrued on loans to others	1,412.71	2,412.49	987.47
Other receivables - related parties	1,460.59	495.27	185.25
Other receivables from other than related parties	1,392.04	32.66	45.11
Claim receivable*	18,701.96	7,099.97	4,202.69
<b>Total</b>	<b>29,924.15</b>	<b>15,089.78</b>	<b>8,407.49</b>

#### \*Claims receivable

- One of the Company's subsidiary has preferred claims of Rs. 5,607.47 lakhs (March 31, 2016: 5,100.50 lakhs and April 1, 2015: Rs 2,902.98 lakhs) receivable from National Highways Authority of India (herein after referred as "NHAI") consists of lesser user fees paid by TNSTC, floods, delay in commencement of COD and 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.
- Toll collection contract between one of the Company's subsidiary with Maharashtra State Road Development Co. Ltd (herein after referred as "MSRDC") was terminated on 30 June 2014. The said subsidiary is entitled for compensation of Rs. 370.54 lakhs (March 31, 2016: Rs. 370.54 lakhs and April 1, 2015: 370.54 lakhs) as per clause 31 of the Concession Agreement / Bid document entered with MSRDC.
- One of the Company's subsidiary has preferred claim of Rs. 795.50 lakhs (March 31, 2016: 863.06 lakhs and April 1, 2015: Rs. 929.18 lakhs) receivable from NHAI towards "Force Majeure" clause of Article 26 of the Concession Agreement between the said subsidiary and NHAI mainly on account of Seemandhra / Telangana Agitation.
- One of the Company's subsidiary has recognised claim of Rs. 6,760.79 lakhs (March 31, 2016: 157.07 lakhs and April 1, 2015: Nil) receivable from MSRDC towards "Change of scope / variation" clause.
- Two of the Company's subsidiary have recognised claims of Rs. 1,048.92 lakhs (March 31, 2016: 517.13 lakhs and April 1, 2015: Nil) receivable from MSRDC towards "Force Majeure" clause.
- One of the Company's subsidiary has recognized a claim of Rs. 91.67 lakhs (March 31, 2017: 91.67 lakhs and April 1, 2015: Nil) receivable from Hooghly River Bridge Commissioners (HRBC) towards "Force Majeure" clause as per concession agreement.
- One of the Company's subsidiary has preferred claims of Rs. 150.86 lakhs (March 31, 2016: Nil and April 1, 2015: Nil) receivable from National Highways Authority of India (herein after referred as "NHAI") towards lesser user fees paid by TNSTC.
- The authorities had announced temporary suspension of toll collection at the tolls plazas operated by the Company and its subsidiaries from November 9, 2016 to December 2, 2016 post demonetization. The respective subsidiary companies have claimed compensation of Rs. 3876.21 lakhs pursuant to the relevant agreement(s) as entered with the respective authorities.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 15 – OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Share Issue Expense	-	-	600.97
Prepaid expenses	289.67	1,279.05	861.56
Advances for authority payment	2,079.00	366.09	222.44
Advances to suppliers	2,263.67	260.34	86.23
Mobilisation Advance to related party (Refer note below no. i)	-	6,180.27	6,739.68
Mobilisation Advance	16,480.75	11,550.67	4,661.61
InvIT issue expenses	104.41	-	-
<b>Total</b>	<b>21,217.50</b>	<b>19,636.42</b>	<b>13,172.49</b>

#### i. Loans and Advances to Related Party

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Ideal Toll & Infrastructure Private Limited	-	6,180.27	6,739.68
<b>Total</b>	<b>-</b>	<b>6,180.27</b>	<b>6,739.68</b>

### NOTE 16 – EQUITY SHARE CAPITAL

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>[a] Authorised share capital</b>			
200,000,000 (Previous years : 200,000,000 and As at 1st April 2015: 200,000,000) Equity shares of Rs 10 each	20,000.00	20,000.00	20,000.00
	<b>20,000.00</b>	<b>20,000.00</b>	<b>20,000.00</b>
<b>[b] Issued</b>			
162,569,191 (Previous years : 162,569,191 and As at 1st April 2015: 111,494,250) Equity shares of Rs 10 each	16,256.92	16,256.92	11,149.43
	16,256.92	16,256.92	11,149.43
<b>[c] Subscribed and paid up</b>			
162,569,191 (Previous years : 162,569,191 and As at 1st April 2015: 111,494,250) Equity shares of Rs 10 each	16,256.92	16,256.92	11,149.43
	<b>16,256.92</b>	<b>16,256.92</b>	<b>11,149.43</b>

#### [d] Reconciliation of number of shares outstanding at the beginning and end of the year:

₹ in lakhs

Particulars	As at March 31, 2017	
	No. of Shares	Amount
<b>Equity</b>		
Outstanding as on April 1, 2016	162,569,191.00	16,256.92
Issued during the year		
<b>Outstanding as on March 31, 2017</b>	<b>162,569,191.00</b>	<b>16,256.92</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 16 – EQUITY SHARE CAPITAL (CONTD.)

₹ in lakhs

Particulars	As at March 31, 2016	
	No. of Shares	Amount
<b>Equity</b>		
Outstanding as on April 1, 2015	111,494,250.00	11,149.43
Issued during the year	51,074,941.00	5,107.49
<b>Outstanding as on March 31, 2016</b>	<b>162,569,191.00</b>	<b>16,256.92</b>

₹ in lakhs

Particulars	As at April 01, 2015	
	No. of Shares	Amount
<b>Equity</b>		
Outstanding at the beginning of the year	100,000,000.00	10,000.00
Issued during the year	11,494,250.00	1,149.43
<b>Outstanding as on April 1, 2015</b>	<b>111,494,250.00</b>	<b>11,149.43</b>

#### [e] 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. 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.

#### [f] Shares held by its holding company

₹ in lakhs

Equity shares of Rs 10 each fully paid held by:	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Ideal Toll & Infrastructure Private Limited (Holding Company)	-	-	-	-	59,940,407.00	5,994.04

During previous year, the Company issued 51,074,941 equity shares of Rs. 10 each at the price of Rs. 63 per equity share (including premium of Rs. 53 per equity share) aggregating to Rs 32,400.00 lakhs pursuant to shares under initial public offering in May 2015. Consequently, the shareholding of Ideal Toll & Infrastructure Private Limited (ITIPL) has reduced from 53.76% to 36.87% therefore ITIPL is no longer the holding company as at March 31, 2016.

#### [g] Details of shareholders holding more than 5% of the aggregate shares in the Company:

₹ in lakhs

Name of the Shareholder	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	No. of Shares	Percentage	No. of Shares	Percentage	No. of Shares	Percentage
Equity shares of Rs. 10/- each fully paid						
Ideal Toll & Infrastructure Private Limited	29,940,407.00	18.42%	59,940,407.00	36.87%	59,940,407.00	53.76%
Dattatray Mhaiskar jointly with Sudha Dattatray Mhaiskar (Directors)	10,220,189.00	6.29%	26,447,180.00	16.27%	25,218,780.00	22.62%
Jayant Dattatray Mhaiskar jointly with Anuya Jayant Mhaiskar (Directors)	11,227,920.00	6.91%	11,227,920.00	6.91%	11,227,920.00	10.07%
Jayant Dattatray Mhaiskar (Managing Director)	5,033,578.00	3.10%	13,755,578.00	8.46%	11,003,300.00	9.87%
Anuya Jayant Mhaiskar	9,869,300.00	6.07%				
Sudha Dattatray Mhaiskar	14,998,591.00	9.23%				
A J Tolls Private Limited	30,000,000.00	18.45%				
	<b>111,289,985.00</b>	<b>68.46%</b>	<b>111,371,085.00</b>	<b>68.51%</b>	<b>107,390,407.00</b>	<b>96.32%</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 17 – OTHER EQUITY

#### i. Securities Premium Account

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
At commencement of the year	26,773.56	1,350.58	
Received during the period/ year		27,292.51	
Less: Share issue expense		(1,869.53)	
<b>Balance as at the end of the year</b>	<b>26,773.56</b>	<b>26,773.56</b>	<b>1,350.58</b>

#### ii. Capital Reserve

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
At commencement of the year	1.92	1.92	
<b>Balance as at the end of the year</b>	<b>1.92</b>	<b>1.92</b>	<b>1.92</b>

#### iii. Retained earnings

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Balance as at the beginning of the year	(54,276.85)	(50,395.60)	
Dividends	(325.14)	(162.57)	
Dividend distribution Tax	(66.20)	(34.02)	
Profit for the year	10,892.50	(3,658.60)	
Other comprehensive income	(48.17)	(26.06)	
<b>Balance as at the end of the year</b>	<b>(43,823.92)</b>	<b>(54,276.85)</b>	<b>(50,395.60)</b>
<b>Total</b>	<b>(17,048.44)</b>	<b>(27,501.37)</b>	<b>(49,043.10)</b>

### NOTE 18 NON-CURRENT FINANCIAL LIABILITY-BORROWINGS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Secured			
Term loans from banks	156,478.66	179,739.45	205,144.08
Term loans from financial institutions	94,489.69	83,449.84	87,767.25
Vehicle loans from banks	217.30	464.41	300.72
Vehicle loans from financial institutions	58.50	35.21	17.14
Commercial equipment loans from bank	232.38	182.94	282.37
Commercial equipment loans from financial institutions	18.27		
<b>Total</b>	<b>251,494.80</b>	<b>263,871.85</b>	<b>293,511.56</b>

\*Refer Note 24 for the Current Maturities of Non-current Borrowings

\*Refer Note 32 for Liquidity Risk

#### NOTE 18.1

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

a) Term loan includes loan from a bank amounting to to Rs 14,999.80 lakhs (March 31, 2016 : Rs 15,869.97 lakhs and 1st April, 2015: Rs 16975.00 lakhs) which is secured by a first and exclusive charge as under:

a) first exclusive charge on escrow account specifically maintained for maintenance income/receivables from the maintenance contract with MEP Infrastructure Private Limited, a subsidiary;

## Notes to Financial Statements as at 31st March, 2017

### NOTE 18.1 – (CONTD.)

- 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 by MEP Infrastructure Private Limited, subsidiary company;
- d) pledge of 5 lakhs shares of IRB Infrastructure Developers Limited, held by the promoters of the company;
- e) pledge of 1.14 crore shares of MEP Infrastructures Developers Limited held by the promoter (In demat form).
- f) Equitable mortgage of 9.56 Ha land situated at Dhakle Gaon Baramati owned by relatives of the Promoter.
- g) first charge over the all bank accounts including but not limited to escrow account opened by MEP Highway Solutions Private Limited, subsidiary company;
- h) corporate guarantees given by Ideal Toll & Infrastructure Private Limited and personal guarantee given by Mr. Jayant 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.

- b) Term loan includes loan from a bank amounting to Rs Nil (March 31, 2016 : Rs Nil and 1st April, 2015: Rs 3,749.34 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 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 and personal guarantee given by Mr. Jayant 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 Rs 3,750.00 lakhs commencing from 1 March 2014.

- c) Term loan includes a loan from a bank amounting to Rs Nil (March 31, 2016 : Rs 240.00 lakhs and 1st April, 2015: Rs 610.00 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 and personal guarantee given by Mr. Jayant 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.

- d) Term loan includes a loan from a bank amounting to Rs Nil (March 31, 2016 : Rs 275.42 lakhs and 1st April, 2015: Rs Nil) which is secured as under:
  - a) hypothecation / assignment of receivables to be generated from the Toll collection account & refund of performance security from authority of the projects financed;
  - b) equitable mortgage(second charge) on the residential property situated at Mumbai owned by promoters of the Company;
  - c) personal guarantee of Mr. Jayant Mhaiskar, director of the company

The term loan carries an interest rate calculated at the base rate of 13.00% p.a.(floating at monthly rest) The loan is repayable in 10 monthly installments from the date of disbursement & last installment in lumpsum on or before 31st January 2017.

- e) Term loan includes a loan from a bank amounting to Rs 1296.22 lakhs (March 31, 2016 : Rs 1483.71 lakhs and 1st April, 2015: Rs Nil) which is secured as under :
  - a) exclusive charge by way of equitable/registered mortgage on the commercial properties situated at Boomerang building, Chandivali farm road, Andheri East;

## Notes to Financial Statements as at 31st March, 2017

### NOTE 18.1 – (CONTD.)

- b) pledge of 200% shares of amount equivalent to remaining portion of term loan after considering the amount against the property as per security cover in the form of demat shares of the Company;
- c) Personal guarantee of Mr. Jayant D. Mhaikar, director of the company.
- d) DSRA equivalent to 3 months EMI in form of undisbursed overdraft as sublimit of term loan.

The term loan carries an interest rate calculated on base rate plus 0.65% (annual reset) The loan is repayable in 72 monthly installments from the date of disbursement.

- f) Term loan includes a loan from a financial institution amounting to Rs 5000.00 lakhs (March 31, 2016 : Rs 5000.00 lakhs and 1st April, 2015: Rs Nil) which is secured as under :

- a) First pari -passu charge on approximately 21 acres of leasehold land of 99 years located at Baramati, District Pune, Maharashtra giving a security cover of 1.25 times over the loan facility.
- b) DSRA equivalent to 3 months interest servicing in form of FD with scheduled commercial bank lien marked.
- c) Subservient charge on all revenues & receivable of the Company
- d) Non-Disposible Undertaking (NDU) along with Power of Attorney (POA) of specified number of shares of the company held by the promoters so as to give cover of 1.25 times on the loan amount.

- e) Personal guarantee of Promoter Mr. Jayant Mhaikar.

- f) Corporate guarantee of Baramati Tollways private Limited

The term loan carries an interest rate calculated on base rate of 11.70 % p.a. plus spread of 1.80%. The loan is repayable in 36 equal monthly installments beginning from 25th month from the date of disbursement.

- g) Term loan from bank amounting to Rs 447.73 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) which is secured as under :

- a) by Security against receivables generated from Toll collection at Paduna toll plaza (Udaipur-Kherwada section) on NH No 8,
- b) performance security deposit receivable from NHAI, Other movable assets like toll equipment etc. used for Toll collection.
- c) Personal guarantee of Mr. Jayant Mhaikar, director of the company

The term loan carries an interest rate of 12.50 % p.a. (floating). The loan is repayable in 15 monthly installments commencing from July 2016.

- h) Term loan from bank amounting to Rs.364.23 lakhs (March 31, 2016 : Nil and 1st April, 2015: Rs Nil) which is secured as under :

- a) by Receivables generated from Toll collection at Ghanghari toll plaza on NH 02 in the state of Jharkhand.
- b) Performance security deposit receivable from NHAI, Other movable assets like toll equipment etc. used for toll collection at Ghanghari toll plaza
- c) Personal guarantee of Mr. Jayant Mhaikar, director of the company

The term loan carries an interest rate of 11.80 % p.a. (floating). The loan is repayable in 15 monthly installments commencing from October 2016.

### Vehicle Loans

- a) Vehicle loans from banks of Rs 146.62 lakhs (March 31, 2016 : Rs 374.88 lakhs and 1st April, 2015: Rs 314.74 lakhs) carry interest rates ranging from 9.76% - 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.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 18.1 - (CONTD.)

- b) Vehicle loans from various financial institutions of Rs 64.15 lakhs (March 31, 2016 : Rs 60.05 lakhs and 1st April, 2015: Rs 28.31 lakhs) carry interest rate ranging from 9.53% - 12.34% p.a. The loans are repayable in 35 - 60 monthly installments along with interest. The loans are secured by way of hypothecation of the respective vehicles.

#### Equipment Loans

- a) Equipment loan from bank of Rs 224.47 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) carries an interest rate of 9.25% p.a. The loan is repayable in 47 monthly installments along with interest. The loans are secured by way of hypothecation of the respective equipment.
- b) Equipment loan from financial institution of Rs 38.54 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) carries an interest rate of 11.50% p.a. The loan is repayable in 24 monthly installments along with interest. The loans are secured by way of hypothecation of the respective equipment.

### II) Term Loan taken by Subsidiaries

#### I) MEP Infrastructure Private Limited

Term loans includes a loan amounting to Rs 222,077.66 lakhs (March 31, 2016 : Rs 200,376.26 lakhs and 1st April 2015: Rs. 211,652.31 lakhs) which is taken from a consortium consisting of a banks and 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, insurance contracts, 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 associate Company; and
- b) corporate guarantees jointly given by MEP Infrastructure Developers Limited, the holding Company and Ideal Toll & Infrastructure Private Limited, the associate Company;

The term loan from the consortium carries interest calculated on the base rate of the respective financial institutions and banks and a spread ranging from 1.00% - 2.10% p.a.

Of the above, the term loan from banks and 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. The Company has availed a takeout finance facility of Rs. 26,990.00 lakhs from the consortium lenders. The takeout finance facility is repayable 99 monthly installments commencing from 31st August, 2016.

As at 31st March, 2017, Delay in repayment of principle installment of Rs. 2623.96 lakhs, and corresponding interest portion of Rs. 6784.23 lakhs.

- II) Apart from the above, the Company has taken another term loan from one of the the consortium lenders of Rs 29,090.40 lakhs (March 31,2016 : Rs 29,987.85 lakhs and 1st April 2015 : Rs. 39,936.25 lakhs) which is secured as mentioned above.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 18.1 - (CONTD.)

The loan carries interest calculated on the base rate of the bank plus spread of 2.10% p.a.

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

III) Term loans also include a loan from a financial institution amounting to Rs Rs 18,080.90 lakhs (March 31,2016 : Rs 18,443.58 lakhs and 1st April 2015 : Rs. 19,986.67 lakhs) and the loan is secured by way of first charge on debt service reserve account (refer note 12) 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, other banks accounts 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, associate Company. The interest rate on the term loan is the existing prime lending rate less 2.50% p.a. The loan is repayable in 156 monthly instalments commencing from 1 July 2012.

#### IV) Vehicle loan

- a) Vehicle loans of Rs.3.16 lakhs (March 31,2016 : Rs. 10.97 lakhs and 1st April 2015 : Rs. 18.96 lakhs) from a bank carries 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 way of hypothecation of the respective vehicles.
- b) Vehicle loans of Rs.28.64 lakhs (March 31,2016 : Rs. Nil and 1st April 2015 : Rs. Nil) from a financial institution carries an interest rate 9.27% p.a. The loans are repayable in 36 monthly instalments along with interest, from the date of disbursement. The loans are secured way of hypothecation of the respective vehicles.

#### Raima Ventures Private Limited

- I) Term loans include loan from a financial institution amounting to Rs. Nil Lakhs (March 31,2016: Rs. Nil Lakhs and 1st April 2015: Rs. 1940.17 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;
  - 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 its holding company, MEP Infrastructure Developers Limited. The term loan carries rate of interest 12.35% p.a. The loan is repayable in 112 structured fortnightly installments commencing from 1 November 2010.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 18.1 - (CONTD.)

#### II) Vehicle Loans

Vehicle loan from bank amounting to Rs.Nil (March 31,2016: Rs. 5.41 Lakhs and 1st April 2015: Rs. 12.87 Lakhs) carries an interest rate 10.25% p.a. The loan is repayable in 36 monthly installments along with interest, from the date of loan. The loan is secured way of hypothecation of the respective vehicle.

#### **Baramati Tollways Private Limited**

Term loan of Rs.3,212.75 lakhs(31 March 2016 : Rs.Rs 3,461.00 lakhs, 1 April 2015 : Rs 5,242.63 lakhs) is taken from a bank. The loan is secured by a first charge as below;

- a) by assignment of all revenues and receivables of the Company;
- b) first pari passu charge on mortgage of leasehold rights over the property at vacant plot admeasuring 8.4 hectores 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 if any, 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

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 carry interest rate calculated on base rate of bank with spread of 2.50% p.a above base rate.

The loan is repayable in 39 unequal quarterly instalments commencing from September 2011.

Delay in repayment of principal installment of the loan Rs. 82.75 lakhs and interest portion of the loan of Rs. 95.72 lakhs from a banks over a range of 5 to 38 days. The delayed amounts have been paid subsequently on various date.

#### **MEP Nagzari Toll Road Private Limited**

- I) Term loan includes loan from a bank amounting to Rs. Nil (March 31, 2016 : Rs.Nil and 1st April, 2015 : Rs.274.43 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, its holding company and personal guarantees given by Mr. Jayant D. Mhaskar and Mrs. Anuya J. Mhaskar, Directors of the Holding 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 monthly unequal installments.commencing from the month of disbursement of term loan.

#### **MEP Chennai Bypass Toll Road Private Limited**

##### I) Vehicle Loan

Vehicle loans of Rs. Nil (March 31, 2016 : Rs.4.99 lakhs and 1st April, 2015 : Rs. 12.10 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 Rs. 1227.28 Lakhs (March 31,2016: Rs. 1899.28 Lakhs and 1st April 2015: Rs. 2394.94 Lakhs) is secured by way of first charge as below:

## Notes to Financial Statements as at 31st March, 2017

### NOTE 18.1 - (CONTD.)

- 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. Mhaikar, Director of the Holding 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.

Delayed in repayment of principal installment of the loan of Rs 58.00 lakhs from a bank. The delayed amounts have been paid subsequently on various dates.

- II) Term loan from financial institution of Rs.293.19 Lakhs (March 31,2016: Rs. 350.00 Lakhs and 1st April 2015: Rs. Nil Lakhs) is secured by way of first charge as below:
  - a) the repayment of the facility, interest, fees, costs, charges and expenses and all other amounts payable under the agreement shall be secured in such manner including by way of mortgage in favour of ABHFL over the Property/ies at Flat No 1001, 10th Floor, Chandilier Court, Manjrekar Lane, Worli, Mumbai - 400 018
  - b) Personal Guarantee from Mr.Jayant D. Mhaikar and Ms. Anuya J Mhaikar, Director of the Holding Company.

Term loan carries interest rate of 9.99% p.a and is repayable in 60 monthly unequal installments commencing from March 2016.

### III) Vehicle loan

Vehicle loans from banks amounting to Rs.6.45 Lakhs (March 31,2016: Rs. 12.36 Lakhs and 1st April 2015: Rs. 4.84 Lakhs) carry an interest rate ranging between 10.25% - 11.75% p.a. The loans are repayable in 35 - 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 Rs 1,860.00 lakhs (Previous Year Rs.2,625.00 lakhs) from a bank is secured 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. Mhaikar and Mrs. Anuya J. Mhaikar, directors of the holding company;
  - e) pledge of 30% shares of the promoters of the company.

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

The loan is repayable in 16 structured Quarterly installments commencing from 31st March 2014.

Delayed in repayment of principal installment of the loan of Rs. 325.00 lakhs from a bank. The delayed amounts have been paid subsequently on various dates.

### II) Commercial equipment loan

The loan amount of Rs.128.86 Lakhs (March 31,2016 Rs.192.61 lakhs and 1st April 2015: Rs. 249.95 lakhs) are from bank is secured as below;

## Notes to Financial Statements as at 31st March, 2017

### NOTE 18.1 - (CONTD.)

- a) First charge in favour of the Bank by way of Hypothecation of respective commercial equipments of the company.
- b) Personal Guarantee given by Mr. Jayant Mhaiskar, director of the holding 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 Rs 1.14 lakhs (March 31,2016 Rs.14.32 lakhs and 1st April 2015: Rs. 46.69 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.

#### MEP RGSL Toll Bridge Private Limited

##### Bank Loans

Term loan from, balance outstanding amounting to Rs. Nil (March 31, 2016 : Rs.1,721.96 lakhs and 1st April, 2015 : Rs.3,490.82 lakhs) is secured by 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 Holding Company and some of the relatives of the directors

The term loans carry an interest rate of 12.00% p.a.

Term loan of Rs Nil (March 31, 2016 : Rs 834.50 lakhs, April 1, 2015 : Rs 1,759.50 lakhs) is repayable in 36 unequal monthly installments after the moratorium period of three months from the date of first drawdown.

Term loan of Rs nil (March 31, 2016 : Rs 613.96 lakhs and April 1, 2015 : Rs 1,096.32 lakhs) and Rs nil (March 31, 2016 : Rs. 273.50 lakhs and April 1, 2015 : Rs 635.00 lakhs) are repayable in 36 unequal monthly installments and 33 unequal monthly installments respectively from the date of first drawdown.

##### Vehicle loans

Vehicle loan of Rs. 1.66 lakhs (March 31, 2016 : Rs.3.68 lakhs and 1st April, 2015 : Rs.5.49 lakhs) 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

Term loan amount of Rs. Nil (March 31, 2016 : Rs.Nil and 1st April, 2015 : Rs.774.00 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.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 18.1 – (CONTD.)

- 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 holding 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.

#### Vehicle Loans

Vehicle loans of Rs. 217.93 lakhs (March 31, 2016 : Rs.279.30 lakhs and 1st April, 2015 : Rs. 28.75 lakhs) are from bank and carries an interest rate ranging from 10.00% to 11.75% p.a. .The loans are repayable in 35-60 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

Term Loan of Rs. Nil (March 31,2016: Rs.484.00 Lakhs and 1st April 2015: Rs.2376.00 Nil Lakhs) 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 9 monthly equal instalments and the funded portion of security deposit is payable at the end of 30 months or receipt of security deposit from authority(i.e MSRDC) , whichever is earlier.

#### MEP Highway Solutions Private Limited

##### Commercial Equipment Loans

Commercial equipment loans of Rs 84.06 lakhs (previous year : 117.53 lakhs) 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 Holding Company.

##### MEP Tormato Private Limited

Term loan from bank amounting to Rs. 4050.00 Lakhs (March 31,2016: Rs. Nil and 1st April 2015: Rs. Nil Lakhs) is secured by 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 and

## Notes to Financial Statements as at 31st March, 2017

### NOTE 18.1 - (CONTD.)

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

The loan is repayable in 16 quarterly instalments commencing from May 2016. The loan carries rate of interest 12.75% p.a.

Delayed in repayment of principal installment of the loan of Rs 200.00 lakhs from a banks. The delayed amounts have been paid subsequently on various dates.

#### MEP Infraprojects Private Limited

##### Bank Loans

Term loan from bank amounting to Rs. 2,169.59 Lakhs (March 31,2016: Rs. Nil and 1st April 2015: Rs. Nil Lakhs) is secured by 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 present and future,
- by way of assignment of toll collection at Katai & Gove Toll Plaza on Kalyan Shilphata Road and

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

The loan is repayable in 36 monthly instalments for the loan of Rs 900.00 lakhs and Rs 1269.59 lakhs commencing from March 2016 and January 2017 respectively. The loans carries rate of interest 11.90% p.a.

Delayed in repayment of principal installment of the loan of Rs 23.18 lakhs from a bank.

Delayed in repayment of principal installment of the loan of Rs 31.52 lakhs from a bank.

### NOTE 19 - NON-CURRENT FINANCIAL LIABILITY-TRADE PAYABLES

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade Payables	50,293.93	71,375.63	140,427.84
<b>Total</b>	<b>50,293.93</b>	<b>71,375.63</b>	<b>140,427.84</b>

#### Refer Note 32 for Liquidity Risk

Pursuant to the adoption of Ind AS, effective from 1 April 2015, all toll collection rights acquired have been accounted as "intangible assets" as required under Ind AS 38 and are amortised over the period of the respective contracts. In addition, corresponding liability which is payable to authority against acquisition of toll collection rights is recognised as trade payables. These trade payables are discounted as per the payment terms of the contract.

### NOTE 20 - PROVISIONS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>Non-Current Liability - Provisions</b>			
<b>Employee benefits</b>			
Gratuity (Refer note Note 34)	442.09	311.87	227.38
Provision for re-surfacing	2,362.10	11,967.64	8,101.27
<b>(A)</b>	<b>2,804.19</b>	<b>12,279.51</b>	<b>8,328.65</b>

## Notes to Financial Statements as at 31st March, 2017

## NOTE 20 – PROVISIONS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>Current Liability – Provisions</b>			
<b>Employee benefits</b>			
Gratuity (Refer note Note 34)	49.29	62.18	45.61
Provision for wealth tax	-	-	2.62
Provision for re-surfacing	7,981.64	2,062.84	602.03
<b>(B)</b>	<b>8,030.93</b>	<b>2,125.02</b>	<b>650.26</b>
<b>Total (A)+(B)</b>	<b>10,835.12</b>	<b>14,404.53</b>	<b>8,978.91</b>

## Movement of provisions of Resurfacing

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Opening Balance	14,030.48	8,703.31	
Provision made during the year	3,489.01	5,326.59	
Provision utilised during the year	(7,730.03)	(671.22)	
Unwinding of discount*	554.28	671.80	
<b>Closing Balance</b>	<b>10,343.74</b>	<b>14,030.48</b>	<b>8,703.31</b>

## Resurfacing

One of the Subsidiary has an obligation to re-surface / undertake major maintenance of the flyovers and allied structures at specified intervals.

One of the Subsidiary has an obligation to re-surface / undertake maintenance of the roads at specified intervals during the concession period.

\*Unwinding of discount clubbed under Finance costs with Other interest costs.

## NOTE 21 – OTHER NON-CURRENT LIABILITIES

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Mobilisation Advance from related parties* (Refer Note below no. i)	19,480.95	-	-
<b>Total</b>	<b>19,480.95</b>	<b>-</b>	<b>-</b>

\*Refer Note 25 for current portion of Mobilisation Advance

## i. Mobilisation Advance received from Jointly Controlled Entity

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
MEP Nagpur Ring Road 1 Pvt. Ltd.	3,421.59	-	-
MEP Sanjose Arawali Kante Road Pvt. Ltd	4,657.12	-	-
MEP Sanjose Kante Waked Road Pvt. Ltd	6,068.31	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	234.80	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.	4,572.60	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	526.53	-	-
<b>Total</b>	<b>19,480.95</b>	<b>-</b>	<b>-</b>

## Notes to Financial Statements as at 31st March, 2017

### NOTE 22 – CURRENT FINANCIAL LIABILITY-BORROWINGS

At amortised cost

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>Secured Loans</b>			
From banks	7,725.84	12,085.87	8,878.48
From financial institutions	300.00	-	-
<b>Repayable on demand from Banks</b>	12,088.17	12,495.72	11,715.49
<b>Unsecured Loans</b>			
Loans from related parties	-	25.82	100.00
Loans from others	4.75	4.75	4.75
<b>Total</b>	<b>20,118.76</b>	<b>24,612.16</b>	<b>20,698.72</b>

\*Refer Note 32 for Liquidity Risk

#### Secured loans from banks

##### I) Short term loan taken by MEP Infrastructure Developers Limited

A) Term Loans from bank amounting to Rs 3350.00 lakhs (March 31, 2016 : Rs 5000.13 lakhs and 1st April, 2015: Rs 5000.00 lakhs) 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;
- Personal Guarantee given by Mr. Jayant D. Mhaskar 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.

B) Term Loans from bank amounting to to Rs 386.58 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured as below:

- by Hypothecation / assignment of receivables to be generated from the Toll collection at Saukala toll plaza ;
- pari passu charge on the project cash flows of saukala toll collection project with the BG issuing bank and exclusive charge over the performance security deposit with NHAI,
- First charge by way of hypothecation of all the movable assets, present and future, of the projects financed.
- Personal Guarantee given by Mr. Jayant D. Mhaskar and Mrs. A. J. Mhaskar, director of the Company;

The term loan carries an interest rate calculated on base rate of the bank plus a spread of 3.25% p.a. below PLR. The loan is repayable in 12 monthly installments from the date of first disbursement commencing from October 2016.

C) Term Loans from bank amounting to Rs Nil (March 31, 2016 : Rs Nil and 1st April, 2015: Rs 1028.36 lakhs) 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;

## Notes to Financial Statements as at 31st March, 2017

### NOTE 22.1 TERMS OF REPAYMENT (CONTD.)

(d) Personnel Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;

The term loan carries an interest rate calculated at the rate of 13.0% (floating) p.a. floating at monthly reset. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement commencing from June 2016.

D) Term Loans from bank amounting to Rs Nil (March 31, 2016 : Rs 495.00 lakhs and 1st April, 2015: Rs Nil) is secured as below :

(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;

(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.

(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;

The term loan carries an interest rate calculated at the rate of 12.50 % (floating) p.a. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement commencing from June 2016

E) Term Loans from bank amounting to Rs Nil (March 31, 2016 : Rs 705.00 lakhs and 1st April, 2015: Rs Nil) is secured as below :

(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed. ;

(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable.

(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;

The term loan carries an interest rate calculated at the rate of 12.50 % (floating) p.a. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement commencing from May 2016

F) Term Loans from bank amounting to Rs Nil (March 31, 2016 : Rs 617.25 lakhs and 1st April, 2015: Rs Nil) is secured as below :

(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;

(b) Hypothecation of other movable assets, like toll equipment and performance security deposit receivable;

(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;

The term loan carries an interest rate calculated at the rate of 12.50 % p.a. (floating) at monthly rest. The loan is repayable in 4 equal weekly installments during 12th and last month from the date of first disbursement."

G) Term Loans from bank amounting to Rs 415.60 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured as below :

(a) by Hypothecation / assignment of receivables to be generated from the Brijghat Toll collection account of the projects financed;

(b) by Hypothecation of other movable assets, like toll equipment and performance security deposit receivable;

(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar, Director of the Company;

The term loan carries an interest rate calculated on base rate of 11.90 % p.a. (floating) at monthly rest. The loan is repayable in 12 monthly installments commencing from February 2017.

H) Term Loans from bank amounting to Rs Nil (March 31, 2016 : Rs 1799.25 lakhs and 1st April, 2015: Rs Nil) is secured as below :

(a) Hypothecation / assignment of receivables to be generated from the Toll collection account of the projects financed;

(b) Pari passu charge on the project cash flows of toll collection project with the BG issuing bank and Exclusive charge over the performance security deposit with Authority and its subsidiaries for any project funded by the bank;

(c) Personal Guarantee given by Mr. Jayant D. Mhaiskar and Mrs. Anuya J. Mhaiskar, Director of the Company;

The term loan carries an interest rate calculated on base rate of 12.50 % p.a. (floating) i.e. 3.25% below PLR. The loan is repayable in 12 unequal monthly installments from the date of first disbursement commencing from April 2016."

## Notes to Financial Statements as at 31st March, 2017

### NOTE 22.1 TERMS OF REPAYMENT (CONTD.)

#### Secured loan from financial institution

Term Loans from financial institution amounting to Rs 300.00 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured by Pledge of such number of shares M/s MEP Infrastructure Developers Limited to provide 2.5 times of security value.

The term loan carries an interest rate 18.00% p.a. The loan is repayable in 61 days from the date of disbursement commencing from 17 May 2017.

#### II) Short –term loan taken by subsidiaries

##### Rideema Toll Bridge Private Limited

Term loans from banks of Rs.3376.16 lakhs (March 31,2016: Rs.3480.60 lakhs and 1st April 2015: Rs.2000 lakhs) are 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, current & 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. Mhaikar, Director of the Holding Company.

Term loans carries an interest rate ranging 12% - 12.50% and is repayable in 11 - 12 monthly installments.

Delayed in repayment of principal installment of the loan of Rs 456.76 lakhs from a banks. The delayed amounts have been paid subsequently on various dates.

##### MEP IRDP Solapur Toll Road Private Limited

Term loan of Rs.Nil (March 31,2016: Rs.Nil lakhs and 1st April 2015: Rs.473.27 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 Mhaikar and Mrs. Anuya Mhaikar, directors of the Holding Company and personal guarantees of some relatives of the directors.

The term loan carry 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 bank amounting to Rs.Nil (March 31,2016: Rs.Nil lakhs and 1st April 2015: Rs.394.50 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. Jayant D. Mhaikar, director of holding the Company;
- (c) Corporate guarantee given by MEP Infrastructure Developers Limited, (Holding Company);
- (d) The term loan carries an interest rate of 13% p.a.
- (e) The loan is repayable in 11 monthly installments from the date of first drawdown.

##### Raima Toll and Infrastructure Private Limited

Term loans include loan from a bank amounting to Rs. 216.31 Lakhs (March 31,2016: Rs.Nil Lakhs and 1st April 2015: Rs. Nil Lakhs) which is secured by way of first charge as below:

## Notes to Financial Statements as at 31st March, 2017

### NOTE 22.1 TERMS OF REPAYMENT (CONTD.)

- (a) by way Receivables generated from Toll collection at Kappalur, Etturvattam, Salaipduhar and Nanguneri Toll Plaza (Madurai – Kanyakumari Section) on NH No.7, and personal guarantee of Mr. Jayant D. Mhaiskar.
- (b) Personal Guarantee given by Mr. Jayant D. Mhaiskar, director of holding the Company;
- (c) Performance security deposit receivable from NHAI, Other movable assets like toll equipments etc. used for Toll Collection

The term loan carries an interest rate of 11.80% p.a.

The loan is repayable in 3 monthly installments commencing from October 2016.

Delayed in repayment of principal installment of the loan of Rs 216.31 lakhs from a banks over a range of 89 days (March 31,2016: Nil , 1st April 2015: Nil). The delayed amounts have been paid subsequently.

### III) Loans repayable on demand

#### MEP Infrastructure Developers Limited

A) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 3656.89 lakhs (March 31, 2016 : Rs 4999.07 lakhs and 1st April, 2015: Rs 4998.27 lakhs) is secured as below:

- a) First charge / hypothecation / assignment of security interest on Escrow account;
- b) Personnel 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.

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 Rs 7,497.41 lakhs (March 31, 2016 : Rs 7496.65 lakhs and 1st April, 2015: Rs 6717.22 lakhs) which is 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) Personnel Guarantee given by Mr. Jayant D. Mhaiskar, director of the Company;
- e) Corporate guarantee given by Ideal Toll and Infrastructure Private Limited.

Loan carries an interest rate calculated on the base rate of the bank and a spread of 2.50% p.a.

C) Loans repayable on demand include an overdraft facility from a bank amounting to Rs 285.04 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured by TDR to be pledged in bank's favour and kept in possession of the bank duly lien marked. The loan carries an interest rate of 4.95% p.a.

D) Term loan from bank, balance outstanding amounting to Rs 648.87 lakhs (March 31, 2016 : Rs Nil and 1st April, 2015: Rs Nil) is secured as below ;

- a) First charge / hypothecation / assignment of security interest on Escrow account;
- b) by First and exclusive charge /hypothecation of escrow account of the borrower through which cash flows of the project financed is routed
- c) first charge by way of hypothecation of all the movable assets, present and future of the projects financed,
- d) First and exclusive charge on receivables of the financed projects upfront cash margin of 5% by way of pledge of TDR.

Loan carries an interest rate of 1 year MCLR plus 3.00% i.e 12.65% p.a.

## Notes to Financial Statements as at 31st March, 2017

### NOTE 22.1 TERMS OF REPAYMENT (CONTD.)

#### IV) Unsecured loans

- A) Interest free unsecured loan from Mr. Jayant Mhaikar of Rs Nil (March 31, 2016 : Rs 25.82 lakhs and April 1, 2015 : Rs 100 lakhs) is repayable on demand.
- B) Interest free unsecured loan from Pratibha Industries Limited (shareholder of the subsidiary company) of Rs 4.75 lakhs (March 31, 2016: Rs 4.75 lakhs and April 1, 2015 : Rs 4.75 lakhs) which is repayable on demand.

### NOTE 23 – CURRENT FINANCIAL LIABILITY-TRADE PAYABLES

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade payables towards purchased and services related:			
- other creditors	82,547.08	157,326.92	106,513.01
- dues from micro and small enterprises			0.56
<b>Total</b>	<b>82,547.08</b>	<b>157,326.92</b>	<b>106,513.57</b>

The carrying amount of trade payables as at reporting date at fair value.

Refer to Note 32 for Liquidity Risk.

### NOTE 23.1 DISCLOSURE FOR MICRO, SMALL AND MEDIUM ENTERPRISES

#### Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows:

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-	0.56
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-	-
Further interest remaining due and payable for earlier years	-	-	-
	<b>-</b>	<b>-</b>	<b>0.56</b>

## Notes to Financial Statements as at 31st March, 2017

## NOTE 24 - CURRENT FINANCIAL LIABILITY-OTHERS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current maturities of long term borrowings	24,171.00	16,828.64	17,177.68
Interest accrued but not due on borrowings	1,031.16	1,298.18	1,136.11
Interest accrued and due on borrowings	7,242.07	2,120.69	5,897.26
Unpaid Dividends	0.35	-	-
Employee payables	688.21	714.09	644.63
Other liabilities to others	5,269.76	799.36	665.17
<b>Total</b>	<b>38,402.55</b>	<b>21,760.96</b>	<b>25,520.85</b>

\*Refer Note 32 for Liquidity Risk

## NOTE 25 - OTHER CURRENT LIABILITIES

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Mobilisation Advance- from related parties	13,920.06	-	-
Toll received in advance	1,049.59	572.26	464.72
Advance from customers	253.47	157.05	-
Due to Statutory Authorities	974.76	613.98	1,191.79
<b>Total</b>	<b>16,197.88</b>	<b>1,343.29</b>	<b>1,656.51</b>

## I. Mobilisation Advance received from Related Party

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
MEP Nagpur Ring Road 1 Pvt. Ltd.	3,858.39	-	-
MEP Sanjose Arawali Kante Road Pvt. Ltd	2,507.68	-	-
MEP Sanjose Kante Waked Road Pvt. Ltd	2,855.67	-	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	126.43	-	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.	4,220.87	-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	351.02	-	-
<b>Total</b>	<b>13,920.06</b>	<b>-</b>	<b>-</b>

## NOTE 26 - SHORT TERM PROVISIONS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Employee benefits			
Gratuity (Refer note 34)	49.29	62.18	45.61
Provision for wealth tax	-	-	2.62
Provision for re-surfacing	7,981.64	2,062.84	602.03
<b>Total</b>	<b>8,030.93</b>	<b>2,125.02</b>	<b>650.27</b>

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 27 – REVENUE FROM OPERATIONS

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Toll collection	151,431.83	187,306.61
Construction revenue	6,336.90	-
<b>Other operating Income</b>		
Claims from authority (Refer Note 14)	12,320.07	3,212.66
Road repair and maintenance	2,817.94	
<b>Total</b>	<b>172,906.74</b>	<b>190,519.27</b>

### NOTE 28 – OTHER INCOME

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Income		
- Banks	1,033.83	1,097.09
- Related Parties	4,753.96	4,750.36
- Other than related parties	1,339.74	1,554.61
Provisions no longer required	1,429.98	2.95
Dividend income	3.99	21.73
Facility fees		120.00
Miscellaneous income	75.34	22.80
<b>Total</b>	<b>8,636.84</b>	<b>7,569.54</b>

### NOTE 28 – OPERATING AND MAINTENANCE EXPENSES

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Concession fees to authority	17,081.54	14,832.55
Road repairing and maintenance expenses	6,395.38	7,284.08
Maintenance cost paid to authority	73.36	180.20
Toll attendant expenses	1,864.67	1,243.37
Supervision and independent engineer fees	215.70	501.62
Site expenses	1,904.97	1,959.21
Construction Expenses	5,266.76	-
<b>Total</b>	<b>32,802.38</b>	<b>26,001.03</b>

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 29 – EMPLOYEE BENEFITS EXPENSE

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Gratuity Expenses (Refer Note no. 34)	74.58	79.16
Salaries and Wages and Bonus	6,263.81	6,318.86
Contribution to Provident and Other Funds	370.31	400.53
Staff Welfare Expenses	626.52	644.80
<b>Total</b>	<b>7,335.22</b>	<b>7,443.35</b>

### NOTE 30 – FINANCE COSTS

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Expenses		
Banks	24,806.09	27,008.07
Financial Institutions	11,441.65	10,837.40
Other interest costs	11,716.27	25,566.27
Other Borrowing Costs	599.50	95.53
Bank guarantee and commission	745.53	711.52
<b>Total</b>	<b>49,309.04</b>	<b>64,218.79</b>

### NOTE 31 – OTHER EXPENSES

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Rent	34.83	18.57
Rates and Taxes	199.10	515.85
Goodwill Impairment	33.99	
Legal, Consultancy & Professional fees	1,228.93	748.97
Travelling expenses	773.82	1,141.37
Repairs and maintenance		
-Computers	66.40	66.06
-Plant and Machinery	39.24	74.02
-Others	182.69	207.85
Insurance	70.43	54.24
CSR Expense	55.42	5.00
Directors sitting fees	5.72	6.60
Advertising / sales promotion	341.06	344.36
Miscellaneous expenses	858.73	812.52
<b>Total</b>	<b>3,890.36</b>	<b>3,995.41</b>

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 32 – FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

#### i. Market risk

- Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.
- Currency risk: the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. Since company does not have any foreign exchange transactions, it is not exposed to this risk.

#### 1. Financial instruments – Fair values and risk management

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

##### A. Accounting classification and fair values

March 31, 2017	Carrying amount			Fair Value			
	Fair value through Profit and Loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>							
Investment in Non-cumulative redeemable preference shares	2,090.00		2,090.00		2,090.00		2,090.00
Investment in unquoted equity shares*	86.18		86.18				-
Long term loans and advances		48,983.61	48,983.61				-
Other Non-current financial asset		2,696.12	2,696.12				-
Trade and other receivables		3,539.73	3,539.73				-
Cash and cash equivalents		3,538.48	3,538.48				-
Short term Loans & advance		23,452.22	23,452.22				-
Other Current financial asset		40,807.31	40,807.31				-
	<b>2,176.18</b>	<b>123,017.47</b>	<b>125,193.65</b>	<b>-</b>	<b>2,090.00</b>	<b>-</b>	<b>2,090.00</b>
<b>Financial liabilities</b>							
Long term borrowings		251,494.80	251,494.80				-
Non-current financial liability- Trade Payable		50,293.93	50,293.93				-
Short term borrowings		20,118.76	20,118.76				-
Trade and other payables		82,547.08	82,547.08				-
Other Current financial liabilities		<b>38,402.55</b>	<b>38,402.55</b>				-
	<b>-</b>	<b>442,857.12</b>	<b>442,857.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 32 – (CONTD.)

March 31, 2016	Carrying amount			Fair Value			
	Fair value through Profit and Loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>							
Investment in Non-cumulative redeemable preference shares	2,090.00		2,090.00		2,090.00		2,090.00
Investment in unquoted equity shares*	76.22	-	76.22				-
Long term loans and advances		51,221.02	51,221.02				
Other Non-current financial asset		4,302.89	4,302.89				
Trade and other receivables		17.27	17.27				-
Cash and cash equivalents		5,529.59	5,529.59				-
Short term loans & advances		2,822.01	2,822.01				-
Other Current financial asset		24,455.78	24,455.78				-
	<b>2,166.22</b>	<b>88,348.56</b>	<b>90,514.78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,090.00</b>
<b>Financial liabilities</b>							
Long term borrowings		263,871.85	263,871.85				-
Non-current financial liability- Trade Payable		71,375.63	71,375.63				-
Short term borrowings		24,612.16	24,612.16				-
Trade and other payables		157,326.92	157,326.92				-
Other Current financial liabilities		<b>21,760.96</b>	<b>21,760.96</b>				-
	<b>-</b>	<b>538,947.52</b>	<b>538,947.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

April 01, 2015	Carrying amount			Fair Value			
	Fair value through Profit and Loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>							
Investment in Non-cumulative redeemable preference shares	2,090.00		2,090.00		2,090.00		2,090.00
Investment in unquoted equity shares*	71.21		71.21				-
Long term loans and advances		49,773.53	49,773.53				
Other Non-current financial asset		3,872.62	3,872.62				
Trade and other receivables		2,582.75	2,582.75				-
Cash and cash equivalents		4,911.11	4,911.11				-
Current Loans		5,408.10	5,408.10				-
Other Current financial asset		16,977.83	16,977.83				-
	<b>2,161.21</b>	<b>83,525.94</b>	<b>85,687.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,090.00</b>
<b>Financial liabilities</b>							
Long term borrowings		293,511.56	293,511.56				-
Non-current financial liability- Trade Payable		140,427.84	140,427.84				-
Short term borrowings		20,698.72	20,698.72				-
Trade and other payables		106,513.57	106,513.57				-
Other Current financial liabilities		25,520.85	25,520.85				-
	<b>-</b>	<b>586,672.54</b>	<b>586,672.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* The fair value in respect of the unquoted equity investments cannot be reliably estimated.

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 32 – (CONTD.)

#### B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 fair values.

##### Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between and fair value measurement
Financial Assets Investment in Non-cumulative redeemable preference shares	Discounted cash flow technique- The fair value is estimated considering net present value calculated using discount rates derived from quoted prices of similar instruments with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.	Not Applicable	Not Applicable

#### C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Interest risk

##### i. Risk management framework

The Company's board of directors is primarily responsible to develop and monitor Company's Risk Management framework. The Company has a risk management policy in place.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

##### ii. Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk on its receivables is recognised on the consolidated statement of financial position at the carrying amount of those receivable assets, net of any provisions for doubtful debts. Receivable balances and deposit balances are monitored on a monthly basis with the result that the Group's exposure to bad debts is not considered to be material.

The Group has no significant concentrations of credit risk. The Company does not have any credit risk outside india.

#### Impairment

The ageing of trade and other receivables that were not impaired was as follows:

₹ in lakhs

Particulars	Carrying amount (in lakhs)		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Neither past due nor impaired	432.33	13.74	1,677.13
Past due 1–30 days	904.81	0.01	900.34
Past due 31–90 days	1,760.99	1.10	1.05
Past due 91–120 days	436.54	-	-
Past due 121–180 days	-	-	-
Past due 181–360 days	2.35	2.31	2.20
More than 360 days	2.71	0.12	2.00
Carrying amount of receivables	<b>3,539.73</b>	<b>17.27</b>	<b>2,582.72</b>

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 32 – FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Cash equivalents, other Bank Balance and Deposits

The Company held cash equivalents and other bank balances and deposit of Rs 15,721.12 lakhs at March 31, 2017 (March 31, 2016: Rs 15,052.93 lakhs, April 1, 2015 : Rs 14,890.64 lakhs). The cash equivalents and othe bank balance and deposits are held with bank counterparties with good credit ratings.

#### iii. Liquidity risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

#### Maturity pattern of Other Financial- Liabilities

₹ in lakhs

March 31, 2017	Carrying amount	Contractual cash flows				
		Total	0-1 year	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Borrowings and Interest thereon	295,784.56	440,197.78	75,720.42	53,570.87	171,136.08	139,770.41
Trade Payables	132,841.01	164,613.03	82,852.08	16,801.65	61,174.79	3,784.51
Other financial Liabilities Payables	14,231.55	14,231.55	14,231.55	-	-	-
	<b>442,857.12</b>	<b>619,042.36</b>	<b>172,804.06</b>	<b>70,372.52</b>	<b>232,310.87</b>	<b>143,554.91</b>

₹ in lakhs

March 31, 2016	Carrying amount	Contractual cash flows				
		Total	0-1 year	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Borrowings and Interest thereon	305,312.65	481,754.58	74,720.64	49,596.51	157,864.43	199,573.00
Trade Payables	228,702.55	270,725.88	168,470.71	20,494.22	55,613.45	26,147.50
Other financial Liabilities Payables	4,932.32	4,932.33	4,932.33			
	<b>538,947.52</b>	<b>757,412.79</b>	<b>248,123.68</b>	<b>70,090.74</b>	<b>213,477.87</b>	<b>225,720.50</b>

₹ in lakhs

April 01, 2015	Carrying amount	Contractual cash flows				
		Total	0-1 year	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Borrowing and Interest thereon	331,387.96	558,779.99	75,436.49	52,278.55	156,060.24	275,004.71
Trade Payables	246,941.41	359,465.23	108,788.60	41,942.94	107,064.56	101,669.13
Other financial Liabilities Payables	8,343.17	8,343.16	8,343.16	-	-	-
	<b>586,672.54</b>	<b>926,588.38</b>	<b>192,568.25</b>	<b>94,221.49</b>	<b>263,124.80</b>	<b>376,673.85</b>

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 32 – FINANCIAL RISK MANAGEMENT (CONTD.)

#### iv. Interest rate risk

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

#### Exposure to interest rate risk

Group's interest rate risk arises from borrowings. Borrowings taken and issued at fixed and floating rates which exposes Group to fair value and cashflow interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>Fixed-rate instruments</b>			
Financial assets	61,874.32	60,165.87	53,859.14
Financial liabilities	(69,014.11)	(155,824.61)	(180,527.23)
	<b>(7,139.79)</b>	<b>(95,658.73)</b>	<b>(126,668.09)</b>
<b>Variable-rate instruments</b>			
Financial assets	-	-	-
Financial liabilities	(292,333.81)	(303,293.24)	(328,223.43)
	(292,333.81)	(303,293.24)	(328,223.43)
<b>Total</b>	<b>(28,658.30)</b>	<b>(9,906.65)</b>	<b>(16,181.03)</b>

#### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

₹ in lakhs

	Profit or loss	
	100 bp increase	100 bp decrease
<b>March 31, 2017</b>		
Variable-rate instruments	(2,923.34)	2,923.34
<b>Cash flow sensitivity (net)</b>	<b>(2,923.34)</b>	<b>2,923.34</b>
<b>March 31, 2016</b>		
Variable-rate instruments	(3,032.93)	3,032.93
<b>Cash flow sensitivity (net)</b>	<b>(3,032.93)</b>	<b>3,032.93</b>

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

### NOTE 33 – CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves. The primary objective of the Group's Capital Management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 33 – CAPITAL MANAGEMENT (CONTD.)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-Current Borrowings	251,494.80	263,871.85	293,511.56
Current Borrowings	44,289.76	41,440.80	37,876.40
Gross Debt	295,784.56	305,312.65	331,387.96
Less - Cash and Cash Equivalents	(3,538.48)	(5,529.59)	(4,911.11)
Less - Other Bank Deposits	(10,883.16)	(9,366.00)	(8,570.34)
Less - Current Investments	-	-	(1,063.30)
Adjusted Net debt	281,362.92	290,417.06	316,843.21
Total equity	(791.52)	(11,244.45)	(37,893.67)
Adjusted Net debt to equity ratio*	-	-	-

\* Adjusted Net debt to equity ratio is not calculated as the total equity value are (-)ve.

### NOTE 34 – EMPLOYEE BENEFITS

#### Defined Contribution Plan

- Contribution to Provident Fund
- Contribution to Employees State Insurance Corporation
- Contribution to Maharashtra Labour Welfare Fund

Contribution to defined contribution plan, recognised are charged off for the year us under

₹ in lakhs

Description	As at March 31, 2017	As at March 31, 2016
Group's contribution to Provident Fund	235.72	252.73
Group's contribution to Employee state Insurance Corporation	132.70	145.74
Group's Contribution to Maharashtra Labour Welfare Fund	1.89	2.06
	370.31	400.53

#### Defined Benefit Plan – Gratuity

The Group / 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 at 15 days salary (last drawn salary) for each completed year of service. The Group / Company during the year provided Rs 118.10 lakhs (Previous year : Rs. 103.01 lakhs) towards gratuity in the Consolidated Statement of Profit and Loss.

An analysis of net (deficit)/assets is provided below for the Company's principal defined benefit gratuity scheme.

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Present value of funded obligations			
Fair Value of plan assets			
Present value of unfunded obligations	491.38	374.08	272.99
Net deficit/ (assets) are analysed as:			
Liabilities	491.38	374.08	272.99
Assets			
Of the above net deficit:			
Current	49.28	62.18	45.61
<b>Non-current</b>	<b>442.10</b>	<b>311.87</b>	<b>227.38</b>

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 34 – EMPLOYEE BENEFITS

#### Fair value of the plan assets and present value of the defined benefit liabilities

The amount included in the Balance sheet arising from the Company's obligations and plan assets in respect of its defined benefit schemes is as follows:

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Movement in defined benefit obligations:		
At the beginning of the year	374.08	272.99
Current service cost	51.46	59.26
Interest cost	22.72	19.88
Remeasurements :		
(Gain)/loss from change in financial assumptions	-	-
(Gain)/loss from change in demographic assumptions	-	-
Experience (gains)/losses	71.52	39.35
Benefits paid	(23.36)	(13.64)
Liabilities assumed / (settled)	(5.04)	(3.76)
At the end of the year	491.38	374.08

The components of defined benefit plan cost are as follows:

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Recognised in Income Statement</b>		
Current service cost	51.46	59.26
Interest cost / (income) (net)	23.12	19.90
Net actuarial loss recognised in the current year	-	-
<b>Total</b>	<b>74.58</b>	<b>79.16</b>
Recognised in Other Comprehensive Income	71.52	38.95
Liabilities assumed on acquisition / (settled on divestiture)		
<b>Expense recognised in Consolidated Total Comprehensive Income</b>	<b>146.10</b>	<b>118.11</b>

The principal actuarial assumptions used for estimating the Company's benefit obligations are set out below (on a weighted average basis):

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Rate of increase in salaries	6.00%	6.00%	6.00%
Discount rate	6.95%	7.85%	7.95%
Expected average remaining service life of the employees	7.19 to 12.09	4.76 to 11.60	5.24 to 8.68

#### Notes:

##### 1. Discount rate

The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

##### 2. Salary escalation rate

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

##### 3. Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 34 – EMPLOYEE BENEFITS

Sensitivity of the defined benefit obligation :

₹ in lakhs

Particulars	Change in Assumption	Effect on Gratuity Obligation	
		As at March 31, 2017	As at March 31, 2016
Discount rate	Minus 50 basis points	27.46	19.70
	Plus 50 basis points	(25.19)	(18.11)
Salary Escalation Rate	Minus 50 basis points	(21.35)	(16.49)
	Plus 50 basis points	22.68	17.40

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

The weighted average duration of the defined benefit obligation is 7.19 years in 2017 and 11.14 in 2016.

The Company makes payment of liabilities from its cash and cash equivalent balances whenever liability arises.

#### Defined benefit liability and employer contribution

Expected contribution to post employment benefit plans for the year ended March 31, 2017 is 1177.45 lakhs (March 31, 2016: Rs. 1047 lacs)

₹ in lakhs

Particulars	Less than a year	Between 1–2 years	Between 2–5 years	Over 5 years	Total
March 31, 2017					
Defined benefit obligations (Gratuity)	56.46	38.26	94.29	988.44	1,177.45
<b>Total</b>	<b>56.46</b>	<b>38.26</b>	<b>94.29</b>	<b>988.44</b>	<b>1,177.45</b>
March 31, 2016					
Defined benefit obligations (Gratuity)	54.50	28.24	73.34	890.61	1,047.00
<b>Total</b>	<b>54.50</b>	<b>28.24</b>	<b>73.34</b>	<b>890.61</b>	<b>1,047.00</b>

### NOTE 35 – SEGMENT REPORTING

#### Primary business segments

The group has organised its business into two segments: (a) Toll Collection/ Repairs (b) Maintenance and Construction.

#### Toll Collection/ Repairs & Maintenance

The group primarily engages in toll collection.

#### Construction

Construction segment comprises engineering and construction of roads and bridges.

The following tables present revenue and profit information regarding the business segments for the year ended March 31, 2017 and certain asset and liability information regarding industry segments as at March 31, 2017.

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 35 – SEGMENT REPORTING (CONTD.)

#### A. Information about reportable segments

For the year ended March 31, 2017

Particulars	₹ in lakhs		
	Toll Collection/ Repairs & Maintenance	Construction	Total Segments
<b>Revenue</b>			
External Customers	166,569.84	6,336.90	172,906.74
<b>Inter-segment</b>	-	-	-
Total Revenue	166,569.84	6,336.90	172,906.74
Segment profit / (loss) before exceptional items and tax	45,191.56	718.11	45,909.67
Segment profit / (loss) before exceptional items and tax includes:			
Identifiable operating expenses	34,678.88	5,458.71	40,137.59
Allocated expenses	1,206.44	160.08	1,366.52
Depreciation and amortization	85,492.96	-	85,492.96
Segment assets	437,130.46	52,446.70	489,577.17
Segment liabilities	422,034.69	68,334.01	490,368.70
Other disclosures			
Capital expenditure	4,288.35	320.50	4,608.85

Particulars	Note	₹ in lakhs
		As at March 31, 2017
(a) Profit / loss before tax		
Total profit before exceptional items and tax for reportable segments		45,909.67
Unallocated amounts:		
- Other Expenses		(53,140.84)
- Other Income		8,636.84
<b>Total profit before exceptional items and tax from operations</b>		<b>1,405.66</b>

#### For the year ended 31st March 2016:

The Group has one reportable business segment which is toll collection and only one reportable geographical segment. All assets of the group are domiciled in India and the group earn entire revenue from its operation in India. There is no single customer which contribute more than 10% of the revenue of the group.

### NOTE 36 – EARNINGS PER SHARE

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

Particulars	₹ in lakhs	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit/(loss) attributable to equity shareholders (In lacs)	10,892.50	(3,658.60)
Weighted average number of equity shares	162,569,191.00	158,522,269.00
Basic & diluted earnings per equity share (Rs.)	6.70	(2.31)
Profit attributable to existing and potential shareholders	10,892.50	(3,658.60)
Weighted average number of equity shares	162,569,191.00	158,522,269.00
<b>Diluted earnings per equity share (Rs.)</b>	<b>6.70</b>	<b>(2.31)</b>

Note: There is no dilution to the basic EPS as there are no outstanding potentially dilutive equity shares.

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 37 – CAPITAL COMMITMENTS AND OTHER PURCHASE COMMITMENTS

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Estimated amount of contracts remaining to be executed on capital account (net of advance)	2,645.77	2,218.87	1,602.23
	<b>2,645.77</b>	<b>2,218.87</b>	<b>1,602.23</b>

### NOTE 38 – COMMITMENTS – LEASES

#### Operating lease commitments – Group as lessee

The Company had entered into operating lease agreement for premises, which is cancelled during the previous year. Rent expense debited to the Statement of Profit and Loss is Nil during current and previous year in respect of non-cancellable lease agreement. Also, the Group has entered into an operating lease agreement of equipment during the current year. Expenses for equipment leasing debited to the Statement of Profit and Loss is Rs. 30.22 lacs (Previous year: Nil) in respect of lease agreement.

Future minimum lease payments under non-cancellable operating leases comprise:

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Lease payment recognized in the Statement of Profit and Loss (Refer Note 32)			
<b>Future minimum lease payments:</b>			
Due not later than one year	360.12	-	8.33
Due later than one year but not later than five years	1,494.18	-	1.39
Later than five years			
<b>Total (A)</b>	<b>1,854.30</b>	<b>-</b>	<b>9.71</b>

### NOTE 39 – CONTINGENT LIABILITIES

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Claims made against the Company not acknowledged as debts by the Company*	23,534.48	29,446.38	20,680.16
Guarantees given by banks	63,899.91	48,280.05	38,143.40
Corporate guarantees given	197,776.95	-	-
<b>Total</b>	<b>285,211.34</b>	<b>77,726.43</b>	<b>58,823.56</b>

\*Claim against the Company not acknowledged as debts includes Rs. 8171.20 lakhs (March 31, 2016: Rs.8,171.20 lakhs and April 1, 2015: 8,171.20 lakhs). This relates to taxability of toll collection pursuant to contracts with MSRDC and NHAI under the category of 'Business Auxiliary Services'. The Department had filed an appeal against the favourable order passed by the Commissioner of Service Tax, Mumbai - II. The matter is currently pending at CESTAT, Mumbai.

### NOTE 40 – DISCLOSURE PURSUANT TO CONSTRUCTION CONTRACTS

₹ in lakhs

Particulars	2016-17	2015-16
Contract revenue recognised for the financial year	6,336.90	-
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) as at the end of the financial year for all contracts in progress as at that date	6,336.90	-
Amount of customer advances outstanding for contracts in progress as at the end of the financial year	33,401.02	-
Retention amount by customers for contracts in progress as at the end of the financial year	170.15	-
Billed Revenue	3,403.01	
Unbilled Revenue/(Excess Billing to customer)	2,933.89	

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 41 – RELATED PARTY TRANSACTIONS

#### A) Names of related parties and nature of relationship

Other related parties with whom transactions have taken place during the year

**Holding Company** Ideal Toll & Infrastructure Private Limited (Till 30th April, 2015)

**Jointly Controlled Entities**

- KVM Technology Solutions Private Limited
- SMYR Consortium LLP
- MEP Nagpur Ring Road 1 Pvt. Ltd.
- MEP Sanjose Arawali Kante Road Pvt. Ltd.
- MEP Sanjose Kante Waked Road Pvt. Ltd.
- MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd.
- MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.
- MEP Sanjose Talaja Mahuva Road Pvt. Ltd.

**Enterprises over which significant influence is exercised by key managerial personnel**

- MEP Toll Gates Private Limited
- VCR Toll Services Private Limited
- MEP Una Bus Terminal Private Limited
- MEP Hamirpur Bus Terminal Private Limited
- Jan Transport
- D S Enterprises
- Ideal Energy Projects Limited
- IEPL Power Trading Company Private Limited
- Rideema Enterprises
- A.J. Tolls Private Limited
- Ideal Hospitality Private Limited
- Ideal Toll & Infrastructure Private Limited (From May 1, 2015)

**Key Management Personnel**

Mr. Jayant.Mhaiskar	Vice Chairman and Managing Director
Mr. Murzash Manekshana	Executive Director
Mr. M. Sankaranarayanan	Chief Financial officer
Mr. Shridhar Phadke	Company Secretary

#### B. Disclosures of material transactions with related parties and balances

₹ in lakhs

Particulars	Holding company / Associate Concern		Enterprises over which significant influence is exercised by key managerial personnel		Jointly controlled entities/ Associates		Key Managerial Personnel		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
I) Transactions during the year									-	-
<b>Construction Revenue</b>									-	-
MEP Nagpur Ring Road 1 Pvt. Ltd.					3,911.80				3,911.80	-
MEP Sanjose Arawali Kante Road Pvt. Ltd.					299.67				299.67	-
MEP Sanjose Kante Waked Road Pvt. Ltd.					42.47				42.47	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd.					45.06				45.06	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.					1,985.55				1,985.55	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd.					52.35				52.35	-
<b>Income from Roads Operation &amp; maintenance</b>									-	-
KVM Technology Solutions Private Limited		-	-	-		4.85		-	-	4.85
MEP Nagpur Ring Road 1 Pvt. Ltd.					491.00				491.00	-

## Notes to Financial Statements for the year ended 31st March, 2017

## NOTE 41 - RELATED PARTY TRANSACTIONS (CONTD.)

₹ in lakhs

Particulars	Holding company / Associate Concern		Enterprises over which significant influence is exercised by key managerial personnel		Jointly controlled entities/ Associates		Key Managerial Personnel		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
MEP Sanjose Arawali Kante Road Pvt. Ltd					336.02				336.02	-
MEP Sanjose Kante Waked Road Pvt. Ltd					347.20				347.20	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd					348.32				348.32	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.					500.00				500.00	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd					420.14				420.14	-
<b>Toll Attendant Charges paid</b>									-	-
D S Enterprises			572.41						572.41	-
<b>Penal charges Received</b>									-	-
D S Enterprises			1,070.21						1,070.21	-
<b>Expenses incurred on behalf of</b>									-	-
Ideal Toll & Infrastructure Private Limited	92.28	-		-		-		-	92.28	-
Jan Transport		-		-		-		-	-	-
KVM Technology Solutions Private Limited		-		-		206.10		-	-	206.10
MEP Nagpur Ring Road 1 Pvt. Ltd.					147.67				147.67	-
MEP Sanjose Arawali Kante Road Pvt. Ltd					227.09				227.09	-
MEP Sanjose Kante Waked Road Pvt. Ltd					307.76				307.76	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd					60.71				60.71	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.					120.85				120.85	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd					106.45				106.45	-
Expenses incurred on our behalf of									-	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd					19.08				19.08	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd					12.37				12.37	-
MEP Sanjose Kante Waked Road Pvt. Ltd					2.02				2.02	-
MEP Sanjose Arawali Kante Road Pvt. Ltd					1.19				1.19	-
MEP Nagpur Ring Road 1 Pvt. Ltd.					111.41				111.41	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.					269.77				269.77	-
<b>Loans given</b>									-	-
MEP Toll Gates Private Limited		-	3.06	-		-		-	3.06	-
Ideal Hospitality Private Limited		-		-		-		-	-	-
Loan Repayments received during the year									-	-
Ideal Toll & Infrastructure Private Limited		222.63		-		-		-	-	222.63
Ideal Hospitality Private Limited		-		-		-		-	-	-
Ideal Energy Projects Limited		-		-		-		-	-	-
<b>Mobilisation Advances given</b>									-	-
Ideal Toll & Infrastructure Private Limited		203.20		-		-		-	-	203.20
Repayment of Mobilisation advances given									-	-
A J Tolls Private Limited		-		-		-		-	-	-
Ideal Toll & Infrastructure Private Limited		433.73		-		-		-	-	433.73
<b>Mobilisation received</b>									-	-
MEP Nagpur Ring Road 1 Pvt. Ltd.					7,279.98				7,279.98	-
MEP Sanjose Arawali Kante Road Pvt. Ltd					7,164.80				7,164.80	-
MEP Sanjose Kante Waked Road Pvt. Ltd					8,923.98				8,923.98	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd					361.22				361.22	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.					8,793.49				8,793.49	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd					877.55				877.55	-
<b>Sale of Investments</b>									-	-
A J Tolls Private Limited			3.30						3.30	-
<b>Loans repaid during the year</b>									-	-
Ideal Toll & Infrastructure Private Limited		-		-		-		-	-	-

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 41 – RELATED PARTY TRANSACTIONS (CONTD.)

₹ in lakhs

Particulars	Holding company / Associate Concern		Enterprises over which significant influence is exercised by key managerial personnel		Jointly controlled entities/ Associates		Key Managerial Personnel		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
IEPL Power Trading Company Private Limited		-		-		-		-	-	-
MEP Hamirpur Bus Terminal Private Limited		-		0.61		-		-	-	0.61
MEP Una Bus Terminal Private Limited		-		1.92		-		-	-	1.92
Mr. Jayant D. Mhaiskar		-		-		-		74.18	-	74.18
<b>Interest income</b>										
Ideal Toll & Infrastructure Private Limited	5,699.52	1,274.58		-		-		-	5,699.52	1,274.58
MEP Toll Gates Private Limited		-	21.63	25.06		-		-	21.63	25.06
<b>Receipt of Interest Income</b>										
Ideal Toll & Infrastructure Private Limited		1,385.32		-		-		-	-	1,385.32
<b>Investment in Equity shares</b>										
KVM Technology Solutions Private Limited		-		-		-		-	-	-
MEP Nagpur Ring Road 1 Pvt. Ltd.					2,960.74				2,960.74	-
MEP Sanjose Arawali Kante Road Pvt. Ltd.					3,291.74				3,291.74	-
MEP Sanjose Kante Waked Road Pvt. Ltd.					4,586.74				4,586.74	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd.					0.60				0.60	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.					3,572.66				3,572.66	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd.					0.60				0.60	-
Share Application Money paid									-	-
MEP Nagpur Ring Road 1 Pvt. Ltd.					2,011.79				2,011.79	-
MEP Sanjose Arawali Kante Road Pvt. Ltd.					110.10				110.10	-
MEP Sanjose Kante Waked Road Pvt. Ltd.					129.20				129.20	-
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd.					620.62				620.62	-
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.					1,976.94				1,976.94	-
MEP Sanjose Talaja Mahuva Road Pvt. Ltd.					1,477.61				1,477.61	-
Managerial remuneration									-	-
Mr. Jayant Mhaiskar		-		-		-	123.65	132.90	123.65	132.90
Mr. Murzash Manekshana		-		-		-	112.31	243.90	112.31	243.90
Mr. M. Sankaranarayanan		-		-		-	59.92	54.78	59.92	54.78
Mr. Shridhar Phadke		-		-		-	19.85	16.86	19.85	16.86

### \*Compensation to key managerial personnel of the Company

₹ in lakhs

Nature of Benefits	For the year ended March 31, 2017	For the year ended March 31, 2016
Short Term Employee Benefits		
Mr. Jayant Mhaiskar	120.00	130.00
Mr. Murzash Manekshana	47.63	240.00
Mr. M. Sankaranarayanan	56.14	52.09
Mr. Shridhar Phadke	17.15	15.54
Post-employment Benefits		
Mr. Jayant Mhaiskar	3.65	2.90
Mr. Murzash Manekshana	4.68	3.90
Mr. M. Sankaranarayanan	3.78	2.69
Mr. Shridhar Phadke	2.70	1.32
<b>Total Compensation paid to key managerial personnel</b>	<b>255.73</b>	<b>448.44</b>

**Notes to Financial Statements** for the year ended 31st March, 2017  
**NOTE 41 – RELATED PARTY TRANSACTIONS (CONTD.)**

₹ in lakhs

Particulars	Holding company / Associate Concern			Enterprises over which significant influence is exercised by key managerial personnel			Jointly controlled entities / Associates			Key managerial personnel			Total	
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2016	
III) Balances at the end of the year														
<b>Loans and advances receivable</b>														
Ideal Toll Et Infrastructure Private Limited	44,726.06	45,693.26	42,465.19		-	-		-	-	-	-	44,726.06	45,693.26	
MEP Toll Gates Private Limited		-	-	203.06	200.00	200.00		-	-	-	-	203.06	200.00	
MEP Hamirpur Bus Terminal Private Limited		-	-		-	0.61		-	-	-	-		0.61	
MEP Una Bus Terminal Private Limited		-	-		-	1.92		-	-	-	-		1.92	
Rideema Enterprises				7.26								7.26		
<b>Mobilisation advance given</b>														
Ideal Toll Et Infrastructure Private Limited		6,180.28	6,739.68		-	-		-	-	-	-		6,180.28	
<b>Mobilisation advance received</b>														
MEP Nagpur Ring Road 1 Pvt. Ltd.						7,279.98							7,279.98	
MEP Sanjose Arawali Kante Road Pvt. Ltd						7,164.80							7,164.80	
MEP Sanjose Kante Waked Road Pvt. Ltd						8,923.98							8,923.98	
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd						361.22							361.22	
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.						8,793.49							8,793.49	
MEP Sanjose Talaja Mahuva Road Pvt. Ltd						877.54							877.54	

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 41 – RELATED PARTY TRANSACTIONS (CONTD.)

₹ in lakhs

Particulars	Holding company / Associate Concern			Enterprises over which significant influence is exercised by key managerial personnel			Jointly controlled entities / Associates			Key managerial personnel			Total	
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2016	1 April 2015
<b>Share Application Money</b>														
MEP Nagpur Ring Road 1 Pvt. Ltd.				2,011.79										
MEP Sanjose Arawali Kante Road Pvt. Ltd				110.10										
MEP Sanjose Kante Waked Road Pvt. Ltd				129.20										
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd				(346.60)										
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.				1,976.94										
MEP Sanjose Talaja Mahuva Road Pvt. Ltd				1,477.61										
<b>Unsecured loans/ advances payable</b>														
Mr. Jayant Mhaiskar										25.82		100.00		100.00
Other receivables														
VCR Toll Services Private Limited				21.01	18.76	11.74								
KVM Technology Solutions Private Limited						5.77	143.51	143.27						
SMYR LLP				330.05			329.18							
MEP Nagpur Ring Road 1 Pvt. Ltd.				158.57										
MEP Sanjose Arawali Kante Road Pvt. Ltd				225.90										
MEP Sanjose Kante Waked Road Pvt. Ltd				305.73										
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd				48.34										

## Notes to Financial Statements for the year ended 31st March, 2017

## NOTE 41 – RELATED PARTY TRANSACTIONS (CONTD.)

Particulars	Holding company / Associate Concern			Enterprises over which significant influence is exercised by key managerial personnel			Jointly controlled entities / Associates			Key managerial personnel			Total		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2016	1 April 2015	31 March 2016
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.				47.84			47.84						47.84		
MEP Sanjose Talaja Mahuva Road Pvt. Ltd				87.37			87.37						87.37		
Ideal Toll Et Infrastructure Private Limited	92.28		160.80										92.28		160.80
Rideema Enterprises		-			4.07									-	6.94
<b>Other Liabilities</b>															
Ideal Toll Et Infrastructure Private Limited		7.83													7.83
KVM Technology Solutions Private Limited															
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.				148.92			148.92						148.92		
<b>Capital advance given</b>															
Ideal Toll Et Infrastructure Private Limited	2,297.77	2,463.77	2,694.30										2,297.77	2,463.77	2,694.30
<b>Trade receivables</b>															
D S Enterprises		-		42.28											42.28
MEP Nagpur Ring Road 1 Pvt. Ltd.							1,144.86						1,144.86		
MEP Sanjose Arawali Kante Road Pvt. Ltd							329.30						329.30		
MEP Sanjose Kante Waked Road Pvt. Ltd							340.25						340.25		
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd							341.35						341.35		
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.							883.34						883.34		

₹ in lakhs

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 41 – RELATED PARTY TRANSACTIONS (CONTD.)

₹ in lakhs

Particulars	Holding company / Associate Concern			Enterprises over which significant influence is exercised by key managerial personnel			Jointly controlled entities / Associates			Key managerial personnel			Total	
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2016	1 April 2015
MEP Sanjose Talaja Mahuva Road Pvt. Ltd				411.74			411.74						411.74	-
<b>Managerial remuneration</b>														
Mr. Jayant Mhaiskar		-	-					5.55	5.73				5.55	5.73
Mr. Anuya J. Mhaiskar		-	-					2.20	-				2.20	-
Mr. Murzash Manekshana		-	-					12.94	10.69				12.94	10.69
Mr. M. Sankaranarayanan		-	-					2.87	2.19				2.87	2.19
Mr. Shridhar Phadke		-	-					0.50	0.18				0.50	0.18
<b>Interest receivable on loan given</b>														
Ideal Toll & Infrastructure Private Limited	3,436.28	-	32.45										3,436.28	32.45
IEPL Power Trading Company Private Limited		-	-	0.58	0.58								0.58	0.58
MEP Toll Gates Private Limited		-	-	68.21	44.07	21.56							68.21	44.07
A J Tolls Private Limited		-	-	0.17	0.17								0.17	0.17

Note: Outstanding balances at period end are unsecured and considered good.

### C. Disclosures of Commitments with related parties and balances at the year end

₹ in lakhs

Particulars	As at		As at	
	March 31, 2017	31 March 2016	March 31, 2016	April 01, 2015
Construction Contracts with the Jointly Controlled entities	345,973.05	-	-	-

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 42 i. – ADDITIONAL INFORMATION AS REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013

Name of the entity	Net assets, i.e. total asset minus total liabilities 2014–2015	
	As % of consolidated net assets	Amount
<b>Parent</b>		
MEP Infrastructure Developers Limited	-67.02%	25,396.22
<b>Subsidiaries</b>		
MEP Infrastructure Private Limited	53.33%	(20,210.00)
Raima Ventures Private Limited	1.68%	(637.48)
Rideema Toll Private Limited	1.36%	(514.06)
Baramati Tollways Private Limited (Through Rideema Toll Private Limited,)	3.04%	(1,151.93)
Rideema Toll Bridge Private Limited	2.51%	(950.22)
MEP Nagzari Toll Road Private Limited	1.05%	(396.20)
MEP IRDP Solapur Toll Road Private Limited	0.21%	(77.99)
MEP Hyderabad Bangalore Toll Road Private Limited	18.06%	(6,844.68)
Raima Toll Road Private Limited	11.56%	(4,381.11)
MEP Chennai Bypass Toll Road Private Limited	23.73%	(8,990.67)
MEP Highway Solutions Private Limited	-3.32%	1,257.86
MEP RGSL Toll Bridge Private Limited (Formerly known as MEP Projects Private Limited)	-1.75%	663.67
Raima Toll and Infrastructure Private Limited (Formerly known as Raima Manpower and Consultancy Services Private Limited)	-3.07%	1,163.50
MEP Roads & Bridges Private Limited	0.00%	-
Mhaiskar Toll Road Private Limited	0.00%	-
MEP Infra Constructions Private Limited	0.00%	-
MEP Toll & Infrastructure Private Limited	0.00%	-
MEP Tormato Private Limited	0.00%	(0.19)
MEP Infraprojects Private Limited	0.00%	-
<b>Subtotal</b>	<b>41.36%</b>	<b>(15,673.28)</b>
<b>Total elimination</b>	<b>58.64%</b>	<b>(22,220.39)</b>
<b>Total</b>	<b>100.00%</b>	<b>(37,893.67)</b>
<b>Associates (Investment as per Equity Method)</b>		
KVM Technology Solutions Private Limited	-	
<b>Grand Total</b>		<b>(37,893.67)</b>

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 42 ii. – ADDITIONAL INFORMATION AS REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013

₹ in lakhs

Particulars	Net assets, i.e. total asset minus total liabilities As at 31 March, 2016		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>								
MEP Infrastructure Developers Limited	-522.49%	58,751.47	-94.32%	3,030.49	34.97%	(9.11)	-93.28%	3,021.38
<b>Subsidiaries</b>								
MEP Infrastructure Private Limited	-39.17%	4,405.00	50.13%	(1,610.47)	10.98%	(2.86)	49.81%	(1,613.37)
Raima Ventures Private Limited	-0.58%	65.20	-21.85%	702.16	-1.97%	0.51	-21.69%	702.68
Rideema Toll Private Limited	3.97%	(446.56)	-2.10%	67.51	0.00%		-2.08%	67.51
Baramati Tollways Private Limited (Through Rideema Toll Private Limited,)	-4.99%	560.95	-5.33%	171.30	2.02%	(0.53)	-5.27%	170.77
Rideema Toll Bridge Private Limited	3.43%	(385.15)	13.41%	(430.77)	15.49%	(4.04)	13.42%	(434.81)
MEP Nagzari Toll Road Private Limited	4.33%	(487.02)	2.83%	(90.82)	0.00%		2.80%	(90.82)
MEP IRDP Solapur Toll Road Private Limited	0.12%	(14.05)	-1.95%	62.79	0.27%	(0.07)	-1.94%	62.72
MEP Hyderabad Bangalore Toll Road Private Limited	85.41%	(9,603.45)	124.93%	(4,013.93)	5.18%	(1.35)	123.97%	(4,015.28)
Raima Toll Road Private Limited	57.72%	(6,490.59)	78.46%	(2,520.80)	19.90%	(5.18)	77.99%	(2,525.98)
MEP Chennai Bypass Toll Road Private Limited	83.08%	(9,342.33)	10.87%	(349.17)	9.57%	(2.49)	10.86%	(351.66)
MEP Highway Solutions Private Limited	-17.96%	2,019.73	-18.63%	598.51	2.45%	(0.64)	-18.46%	597.87
MEP RGSL Toll Bridge Private Limited (Formerly known as MEP Projects Private Limited)	-15.16%	1,704.61	-32.40%	1,041.09	0.60%	(0.16)	-32.14%	1,040.93
Raima Toll and Infrastructure Private Limited (Formerly known as Raima Manpower and Consultancy Services Private Limited)	-14.46%	1,625.81	-14.39%	462.46	0.55%	(0.14)	-14.27%	462.31
MEP Roads & Bridges Private Limited	-1.66%	186.98	-3.55%	114.02			-3.52%	114.02
Mhaskar Toll Road Private Limited	0.00%	0.24	0.01%	(0.45)			0.01%	(0.45)
MEP Infra Constructions Private Limited	0.00%	0.25	0.01%	(0.45)			0.01%	(0.45)
MEP Toll & Infrastructure Private Limited	0.00%	0.25	0.01%	(0.45)			0.01%	(0.45)
MEP Tormato Private Limited	-7.50%	843.50	14.17%	(455.31)			14.06%	(455.31)
MEP Infraprojects Private Limited	0.00%	0.26	0.01%	(0.44)			0.01%	(0.44)
<b>Subtotal</b>	<b>-385.92%</b>	<b>43,395.10</b>	<b>100.31%</b>	<b>(3,222.75)</b>	<b>100.00%</b>	<b>(26.06)</b>	<b>100.31%</b>	<b>(3,248.84)</b>
<b>Total elimination</b>	<b>485.92%</b>	<b>(54,639.54)</b>	<b>-0.31%</b>	<b>9.90</b>	<b>0.00%</b>	<b>-</b>	<b>-0.31%</b>	<b>9.94</b>
<b>Total</b>	<b>100.00%</b>	<b>(11,244.45)</b>	<b>100.00%</b>	<b>(3,212.84)</b>	<b>100.00%</b>	<b>(26.06)</b>	<b>100.00%</b>	<b>(3,238.90)</b>
Associates (Investment as per Equity Method)								
KVM Technology Solutions Private Limited		-		(60.67)				(60.67)
Joint Ventures (Investment as per equity method)								
SMYR Consortium LLP		-		(385.09)				(385.09)
<b>Grand Total</b>		<b>(11,244.45)</b>		<b>(3,658.60)</b>		<b>(26.06)</b>		<b>(3,684.66)</b>

### NOTE 42 iii. – ADDITIONAL INFORMATION AS REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013

₹ in lakhs

Particulars	Net assets, i.e. total asset minus total liabilities As at 31st March, 2017		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>								
MEP Infrastructure Developers Limited	-7593.18%	60,101.32	16.26%	1,767.83	55.34%	(26.65)	16.08%	1,741.18
<b>Subsidiaries</b>								
MEP Infrastructure Private Limited	-706.62%	5,593.04	11.00%	1,196.55	17.83%	(8.59)	10.97%	1,187.96
Raima Ventures Private Limited	-11.09%	87.77	0.21%	22.57			0.21%	22.57

## Notes to Financial Statements for the year ended 31st March, 2017

## NOTE 42 iii. – ADDITIONAL INFORMATION AS REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013

₹ in lakhs

Particulars	Net assets, i.e. total asset minus total liabilities As at 31st March, 2017		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Rideema Toll Private Limited	115.82%	(916.76)	-4.32%	(470.21)	0.00%		-4.34%	(470.21)
Baramati Tollways Private Limited (Through Rideema Toll Private Limited.)	-200.94%	1,590.48	10.10%	1,097.88	1.54%	(0.74)	10.13%	1,097.14
Rideema Toll Bridge Private Limited	54.77%	(433.52)	-0.38%	(41.51)		(6.86)	-0.45%	(48.38)
MEP Nagzari Toll Road Private Limited	67.18%	(531.72)	-0.41%	(44.70)	0.00%		-0.41%	(44.70)
MEP IRDP Solapur Toll Road Private Limited	-6.05%	47.87	0.57%	62.00	0.00%	-	0.57%	62.00
MEP Hyderabad Bangalore Toll Road Private Limited	1595.28%	(12,626.91)	-27.76%	(3,018.82)	9.65%	(4.65)	-27.93%	(3,023.47)
Raima Toll Road Private Limited	-458.09%	3,625.88	93.04%	10,116.46		-	93.45%	10,116.46
MEP Chennai Bypass Toll Road Private Limited	1196.85%	(9,473.30)	-1.20%	(130.97)	0.00%		-1.21%	(130.97)
MEP Highway Solutions Private Limited	-166.24%	1,315.83	-6.47%	(704.06)	-0.33%	0.16	-6.50%	(703.90)
MEP RGSL Toll Bridge Private Limited (Formerly known as MEP Projects Private Limited)	-363.63%	2,878.21	10.80%	1,174.26	1.37%	(0.66)	10.84%	1,173.60
Raima Toll and Infrastructure Private Limited (Formerly known as Raima Manpower and Consultancy Services Private Limited)	-226.48%	1,792.62	1.53%	166.81		-	1.54%	166.81
MEP Roads & Bridges Private Limited	-23.97%	189.69	0.03%	2.72			0.03%	2.72
Mhaskar Toll Road Private Limited	0.00%	0.00	0.00%	(0.24)			0.00%	(0.24)
MEP Infra Constructions Private Limited	0.00%	-	0.00%	(0.31)			0.00%	(0.31)
MEP Toll & Infrastructure Private Limited	0.01%	(0.07)	0.00%	(0.31)	0.00%		0.00%	(0.31)
MEP Tormato Private Limited	-67.37%	533.26	-2.85%	(310.07)		(0.17)	-2.87%	(310.24)
MEP Infraprojects Private Limited	2.33%	(18.41)	-0.17%	(18.67)			-0.17%	(18.67)
<b>Subtotal</b>	<b>-6791.42%</b>	<b>53,755.28</b>	<b>99.94%</b>	<b>10,867.21</b>	<b>85.40%</b>	<b>(48.16)</b>	<b>99.94%</b>	<b>10,819.04</b>
<b>Total elimination</b>	<b>6891.42%</b>	<b>(54,546.79)</b>	<b>0%</b>	<b>6.41</b>	<b>0.01%</b>	<b>(0.00)</b>	<b>0.06%</b>	<b>6.42</b>
<b>Total</b>	<b>100.00%</b>	<b>(791.52)</b>	<b>100%</b>	<b>10,873.63</b>	<b>85.41%</b>	<b>(48.17)</b>	<b>100.00%</b>	<b>10,825.46</b>
Associates (Investment as per Equity Method)								
KVM Technology Solutions Private Limited		6.99		6.99		-		6.99
Joint Ventures (Investment as per equity method)								
SMYR Consortium LLP		-		-		-		-
MEP Nagpur Ring Road 1 Pvt. Ltd.		3,029.10		68.36		-		68.36
MEP Sanjose Arawali Kante Road Pvt. Ltd		3,271.66		(20.08)		-		(20.08)
MEP Sanjose Kante Waked Road Pvt. Ltd		4,563.43		(23.31)		-		(23.31)
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd		-		(9.30)		-		(9.30)
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd.		3,577.98		5.32		-		5.32
MEP Sanjose Talaja Mahuva Road Pvt. Ltd		-		(9.14)		-		(9.14)
<b>Grand Total</b>		<b>13,657.64</b>		<b>10,892.46</b>		<b>(48.17)</b>		<b>10,844.30</b>

## NOTE 43–UTILIZATION OF PROCEEDS FROM INITIAL PUBLIC OFFER

During the Financial Year 2015-16, funds were raised pursuant to an Initial Public Offering (IPO) For:

- Repayment / Pre-payment in full or part of certain loans availed by the Company's Subsidiary viz. MEP Infrastructure Private Limited (MIPL), and
- General Corporate Purposes.

The amount was utilized fully as on 31 March 2016 as follows:

Particulars	Amounts
Issue Proceeds	32,400.00
Less : Issue Expenses accounted upto 31 March 2016	(1,869.53)
<b>Net Proceeds from IPO</b>	<b>30,530.47</b>

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 43-UTILIZATION OF PROCEEDS FROM INITIAL PUBLIC OFFER (CONTD.)

II)		₹ in lakhs
Particulars		Amounts
Amount utilized upto 31 March 2016 :		
(a) Prepayment/repayment loans availed by MEP Infrastructure Private Limited		26,233.19
(b) General Corporate Purposes		4,297.28
<b>Net Proceeds from IPO</b>		<b>30,530.47</b>

III)		₹ in lakhs
Particulars		Amounts
Amount unutilized as on 31 March 2016 :		
(in case, if any)		-

### NOTE 44 - CLAIMS

One of the Company's subsidiary company has preferred claims with the Authority, aggregating Rs. 33,973.75 lakhs plus interest on account of Toll Evasion and Force Majeure issues arising from non-compliance of the Concession Agreement by Authority. The Company's subsidiary has not recognised the claims in the financial statements pending final approval from Authority. Under the orders of the Hon'ble High Court of Delhi, both the Company and Authority were directed to amicably settle the disputes. As a part of the amicable settlement, Independent Engineer has evaluated the claims made by the Company from time to time. However, final settlement on the same is yet to conclude. The estimated loss during the corresponding period as assessed by the Independent Engineer appointed by the Authority is much higher than the claims submitted to Authority. Hence, the Company's subsidiary has not recognised amount payable to Authority aggregating Rs.280 lakhs during the year ended 31 March 2017( Previous year: 12,843.19 lakhs; Year ended 31st March 2015: 3846.50 lakhs). As part of the settlement, the Company, has handed over the Project Facilities and the Toll Plaza's to the NHAI from April 09, 2016. The Settlement of claims will be dealt as per the provisions of the Concession Agreement, and the matter is currently under arbitration.

### NOTE 45- EXCEPTIONAL ITEMS

One of the Company's subsidiary company handed over Project to the Authority on 25 August 2016. Consequently, the net provisions relating to major road maintenance amounting Rs. 3567.21 lakhs ( comprising provisions of Rs. 5455.29 lakhs disclosed as Exceptional item and deferred tax there on amounting Rs. 1888.08 lakhs included in tax expenses ) and the intangible assets amounting to Rs. 64,684.04 lakhs & concession fees payable to the authority amounting to Rs. 75,022.09 lakhs (on which deferred tax amounts to Rs 3,578.00 lakhs) recognised consequent to the transition to Ind AS upto the previous financial year are reversed during the financial year 31 March 2017. We believe that there would not be any material claims made by the authority on the subsidiary and therefore no provisions for any costs that may arise have been presently recognized . Further, the subsidiary has lodged claims on account of lesser user fee paid by State Transport buses with the concerned authority on an estimated basis amounting Rs 3,008.66 lacs for the year ended 31 March 2017 (March 31, 2016: Rs. 2,502.37 lacs) which are recorded under 'Revenue from operations'.

### NOTE 46 - 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.

### NOTE 47A - INTEREST IN JOINT VENTURE

The Group has a 25% interest in SMYR Consortium LLP, a joint venture involved in the collection of toll. The Group's interest in SMYR Consortium LLP is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 47A – INTEREST IN JOINT VENTURE (CONTD.)

Summary financial information of Joint Venture SMYR Consortium LLP not adjusted for the percentage ownership held by the Company, is as follows:

Particulars	₹ in lakhs	
	As at March 31, 2017*	As at March 31, 2016
Current Assets Other Than Cash and Cash Equivalents		-
Cash and Cash Equivalents	-	177.92
Non-Current Assets	-	904.08
Current Liabilities Other than Current Financial Liabilities	-	(11.11)
Current Financial Liabilities (other than Trade Payables)		-
Non Current Liabilities	-	(2,591.25)
Equity	-	(1,520.36)
<b>Proportion of Group's ownership</b>	-	25%
<b>Carrying Amount of the investment</b>	-	(380.09)
Less:		
Adjustment on Consolidation	-	(380.09)
<b>Carrying amount of Investment in Joint Venture</b>	-	-

\* Summarised statement of profit and loss of the SMYR Consortium LLP:

Particulars	₹ in lakhs	
	As at March 31, 2017	As at March 31, 2016
<b>Revenue</b>	-	39,909.17
Interest Income	-	-
Interest Expense	-	-
Depreciation & Ammortisation	-	(81.53)
<b>Profit before tax</b>	-	(1,540.36)
Income Tax expense	-	-
<b>Profit for the year (continuing operations)</b>	-	(1,540.36)
Other Comprehensive Income	-	-
<b>Total other comprehensive income for the year</b>		(1,540.36)
Proportion of Group's ownership		25%
Group's share of profit for the year		(385.09)

The group had no contingent liabilities or capital commitments relating to its interest in SMYR Consortium LLP as at 31 March 2017 and 2016.

\* The Consolidated Financial Statement for March 31, 2017 does not include the financial information of SMYR Consortium LLP, wherein the Company holds 25% stake, as the management has not received any financial information from the entity. The project operated by the entity was closed on February 1, 2016. Further, the management has not received the audited financial statements of the entity for the year ended March 31, 2016.

### NOTE 47B – INTEREST IN ASSOCIATE

The Group has a 33% interest in KVM Technology Solutions Private Limited, which is involved in the installation of toll management systems, WIM's & weigh bridge. KVM Technology Solutions Private Limited is a private entity and is not listed on any public exchange. The Group's interest in KVM Technology Solutions Private Limited is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in KVM Technology Solutions Private Limited:

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 47B – INTEREST IN ASSOCIATE (CONTD.)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current Assets Other Than Cash and Cash Equivalents	332.66	193.86	3.29
Cash and Cash Equivalents	23.39	133.70	1.00
Non-Current Assets	4.03	-	-
Current Liabilities Other than Current Financial Liabilities	(518.36)	(506.79)	(5.80)
Current Financial Liabilities (other than Trade Payables)	-	-	-
Non Current Liabilities	-	-	-
Equity	(158.27)	(179.23)	(1.51)
<b>Proportion of Group's ownership</b>	33%	33%	33%
<b>Carrying Amount of the investment</b>	(52.75)	(59.74)	(0.51)
Less:			
Adjustment on Consolidation	(59.74)	(59.74)	(0.51)
<b>Carrying amount of Investment in Joint Venture</b>	<b>6.99</b>	<b>-</b>	<b>-</b>

Summarised statement of profit and loss of the KVM Technology Solutions Private Limited:

### NOTE 47B – INTEREST IN ASSOCIATE (CONTD.)

₹ in lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Revenue	94.33	5.60
Interest Income	-	-
Interest Expense	-	(180.90)
Depreciation & Ammortisation	-	-
<b>Profit before tax</b>	<b>20.99</b>	<b>(182.03)</b>
Income Tax expense	-	-
<b>Profit for the year (continuing operations)</b>	<b>20.99</b>	<b>(182.03)</b>
Other Comprehensive Income	-	-
<b>Total other comprehensive income for the year</b>	<b>20.99</b>	<b>(182.03)</b>
Proportion of Group's ownership	33%	33%
Group's share of profit for the year	<b>6.99</b>	<b>(60.67)</b>

The group had no contingent liabilities or capital commitments relating to its interest in KVM Technology Solutions Private Limited as at 31 March 2017 and 2016.

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 47C – INTEREST IN JOINT VENTURE

The Group has a 74% interest in MEP Nagpur Ring Road 1 Private Limited, a joint venture involved in the construction and maintenance of roads. The Group's interest in MEP Nagpur Ring Road 1 Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summary financial information of Joint Venture MEP-Nagpur Ring Road 1 Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

Particulars	₹ in lakhs
	As at March 31, 2017
Current Assets Other Than Cash and Cash Equivalents	9,702.96
Cash and Cash Equivalents	15.25
Non-Current Assets	3,549.72
Current Liabilities Other than Current Financial Liabilities	(3,197.88)
Current Financial Liabilities (other than Trade Payables)	(1.73)
Non Current Liabilities	(3,929.15)
Equity	6,139.17
<b>Proportion of Group's ownership</b>	74%
<b>Carrying Amount of the investment</b>	4,542.98
Less:	
Adjustment on Consolidation	(1,513.88)
<b>Carrying amount of Investment in Joint Venture</b>	3,029.10

Summarised statement of profit and loss of the MEP Nagpur Ring Road 1 Private Limited:

Particulars	₹ in lakhs
	As at March 31, 2017
Revenue	5,808.21
Interest Income	59.72
Interest Expense	(239.13)
Depreciation & Ammortisation	(5.60)
<b>Profit before tax</b>	183.28
Income Tax expense	90.90
<b>Profit for the year (continuing operations)</b>	92.38
<b>Other Comprehensive Income</b>	-
<b>Total other comprehensive income for the year</b>	92.38
Proportion of Group's ownership	74%
Group's share of profit for the year	68.36

The Company had contingent liabilities of Rs 398.25 Lakhs proportion of Groups ownership Rs 294.71 Lakhs and no capital commitments relating to its interest in MEP Sanjose Nagpur Ring Road 1 Private Limited as at 31 March 2017.

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 47D – INTEREST IN JOINT VENTURE

The Group has a 74% interest in MEP Nagpur Ring Road 2 Private Limited, a joint venture involved in the construction and maintenance of roads. The Group's interest in MEP Nagpur Ring Road 2 Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summary financial information of Joint Venture MEP Nagpur Ring Road 2 Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

Particulars	₹ in lakhs
	As at March 31, 2017
Current Assets Other Than Cash and Cash Equivalents	3,667.48
Cash and Cash Equivalents	12.62
Non-Current Assets	8,793.49
Current Liabilities Other than Current Financial Liabilities	(4,018.60)
Current Financial Liabilities (other than Trade Payables)	
Non Current Liabilities	(3,619.89)
Equity	4,835.11
<b>Proportion of Group's ownership</b>	<b>74%</b>
<b>Carrying Amount of the investment</b>	<b>3,577.98</b>
Less:	
Adjustment on Consolidation	-
<b>Carrying amount of Investment in Joint Venture</b>	<b>3,577.98</b>

Summarised statement of profit and loss of the MEP Nagpur Ring Road 2 Private Limited:

Particulars	₹ in lakhs
	As at March 31, 2017
Revenue	2,997.66
Interest Income	49.45
Finance Cost	(246.35)
Depreciation Et Ammortisation	-
<b>Profit before tax</b>	<b>45.38</b>
Income Tax expense	38.19
<b>Profit for the year (continuing operations)</b>	<b>7.19</b>
<b>Other Comprehensive Income</b>	<b>-</b>
<b>Total other comprehensive income for the year</b>	<b>7.19</b>
Proportion of Group's ownership	74%
Group's share of profit for the year	5.32

The Company had contingent liabilities of Rs 479.25 Lakhs proportion of Groups ownership Rs 354.65 Lakhs and no capital commitments relating to its interest in MEP Sanjose Nagpur Ring Road 1 Private Limited as at 31 March 2017.

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 47E – INTEREST IN JOINT VENTURE

The Group has a 74% interest in MEP Sanjose Arawali Kante Road Private Limited, a joint venture involved in the construction and maintenance of roads. The Group's interest in MEP Sanjose Arawali Kante Road Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summary financial information of Joint Venture MEP Sanjose Arawali Kante Road Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

Particulars	₹ in lakhs
	As at March 31, 2017
Current Assets Other Than Cash and Cash Equivalents	1,108.64
Cash and Cash Equivalents	1.71
Non-Current Assets	7,168.41
Current Liabilities Other than Current Financial Liabilities	(1,163.68)
Current Financial Liabilities (other than Trade Payables)	
Non Current Liabilities	(2,693.91)
Equity	4,421.16
<b>Proportion of Group's ownership</b>	74%
<b>Carrying Amount of the investment</b>	3,271.66
Less:	
Adjustment on Consolidation	0.00
<b>Carrying amount of Investment in Joint Venture</b>	3,271.66

Summarised statement of profit and loss of the MEP Sanjose Arawali Kante Road Private Limited:

Particulars	₹ in lakhs
	As at March 31, 2017
Revenue	1,033.47
Interest Income	-
Interest Expense	(97.34)
<b>Depreciation &amp; Ammortisation</b>	(0.94)
Profit before tax	(17.50)
<b>Income Tax expense</b>	9.64
<b>Profit for the year (continuing operations)</b>	(27.14)
<b>Total other comprehensive income for the year</b>	(27.14)
Proportion of Group's ownership	74%
Group's share of profit for the year	(20.08)

The group had no contingent liabilities or capital commitments relating to its interest in MEP Sanjose Arawali Kante Road Private Limited as at 31 March 2017.

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 47F – INTEREST IN JOINT VENTURE

The Group has a 74% interest in MEP Sanjose Kante Wakad Road Private Limited, a joint venture involved in the construction and maintenance of roads. The Group's interest in MEP Sanjose Kante Wakad Road Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summary financial information of Joint Venture MEP Sanjose Kante Wakad Road Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

Particulars	₹ in lakhs
	As at March 31, 2017
Current Assets Other Than Cash and Cash Equivalents	854.72
Cash and Cash Equivalents	2.45
Non-Current Assets	8,925.49
Current Liabilities Other than Current Financial Liabilities	(1,028.39)
Current Financial Liabilities (other than Trade Payables)	-
Non Current Liabilities	(2,587.48)
Equity	6,166.79
<b>Proportion of Group's ownership</b>	74%
<b>Carrying Amount of the investment</b>	4,563.43
Less:	
Adjustment on Consolidation	-
<b>Carrying amount of Investment in Joint Venture</b>	4,563.43

Summarised statement of profit and loss of the MEP-Sanjose Kante Wakad Road Private Limited:

Particulars	₹ in lakhs
	As at March 31, 2017
Revenue	756.61
Interest Income	
Interest Expense	(120.33)
<b>Depreciation &amp; Ammortisation</b>	(0.34)
Profit before tax	(17.50)
Income Tax expense	14.01
<b>Profit for the year (continuing operations)</b>	(31.51)
<b>Other Comprehensive Income</b>	
<b>Total other comprehensive income for the year</b>	(31.51)
Proportion of Group's ownership	74%
Group's share of profit for the year	(23.31)

The group had no contingent liabilities or capital commitments relating to its interest in MEP-Sanjose Kante Wakad Road Private Limited as at 31 March 2017.

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 47G – INTEREST IN JOINT VENTURE

The Group has a 60% interest in MEP-Sanjose Mahuva Kagavadar Road Private Limited, a joint venture involved in the construction and maintenance of roads. The Group's interest in MEP-Sanjose Mahuva Kagavadar Road Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summary financial information of Joint Venture MEP-Sanjose Mahuva Kagavadar Road Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

Particulars	₹ in lakhs
	As at March 31, 2017
Current Assets Other Than Cash and Cash Equivalents	532.60
Cash and Cash Equivalents	9.93
Non-Current Assets	361.22
Current Liabilities Other than Current Financial Liabilities	(1,086.40)
Current Financial Liabilities (other than Trade Payables)	-
Non Current Liabilities	168.11
Equity	(14.54)
<b>Proportion of Group's ownership</b>	60%
<b>Carrying Amount of the investment</b>	(8.72)
Less:	
Adjustment on Consolidation	(8.72)
<b>Carrying amount of Investment in Joint Venture</b>	-

Summarised statement of profit and loss of the MEP Sanjose Mahuva Kagavadar Raod Private Limited:

Particulars	₹ in lakhs
	As at March 31, 2017
Revenue	516.34
Interest Income	
Interest Expense	(40.92)
Depreciation & Ammortisation	
<b>Profit before tax</b>	(17.51)
Income Tax expense	(2.00)
<b>Profit for the year (continuing operations)</b>	(15.51)
<b>Other Comprehensive Income</b>	
<b>Total other comprehensive income for the year</b>	(15.51)
Proportion of Group's ownership	60%
Group's share of profit for the year	(9.30)

The Company had contingent liabilities of Rs 3,023.40 lakhs proportion of Groups ownership Rs 1,814.04 lakhs and no capital commitments relating to its interest in MEP Sanjose Mahuva Kagavadar Raod Private Limited as at 31 March 2017.

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 47H – INTEREST IN JOINT VENTURE

The Group has a 60% interest in MEP Sanjose Talaja Mahuva Road Private Limited, a joint venture involved in the construction and maintenance of roads. The Group's interest in MEP Sanjose Talaja Mahuva Road Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summary financial information of Joint Venture MEP Sanjose Talaja Mahuva Road Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

Particulars	₹ in lakhs
	As at March 31, 2017
Current Assets Other Than Cash and Cash Equivalents	1,102.09
Cash and Cash Equivalents	48.50
Non-Current Assets	904.10
Current Liabilities Other than Current Financial Liabilities	(2,070.54)
Current Financial Liabilities (other than Trade Payables)	
Non Current Liabilities	1.61
Equity	(14.24)
<b>Proportion of Group's ownership</b>	60%
<b>Carrying Amount of the investment</b>	(8.54)
Less:	
Adjustment on Consolidation	(8.54)
<b>Carrying amount of Investment in Joint Venture</b>	-

Summarised statement of profit and loss of the MEP Sanjose Talaja Mahuva Road Private Limited:

Particulars	₹ in lakhs
	As at March 31, 2017
Revenue	
Interest Income	
Interest Expense	(42.92)
Depreciation & Ammortisation	(1.59)
<b>Profit before tax</b>	(17.50)
Income Tax expense	(2.26)
<b>Profit for the year (continuing operations)</b>	(15.24)
<b>Other Comprehensive Income</b>	
<b>Total other comprehensive income for the year</b>	(15.24)
Proportion of Group's ownership	60%
Group's share of profit for the year	(9.14)

The group had no contingent liabilities or capital commitments relating to its interest in MEP-Sanjose talaja Mahuva Road Private Limited as at 31 March 2017.

## Notes to Financial Statements for the year ended 31st March, 2017

### NOTE 48 – DISCLOSURE ON SPECIFIED BANK NOTES

During the year the Group had Specified Bank Notes (SBNs) and other denomination notes as defined in the MCA notification, G.S.Rs 308(E), dated 31 March 2017. The details of SBNs held and transacted during the period from November 08, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	1,904.40	1,306.14	3,210.53
(+) Permitted receipts	811.05	9,086.44	9,897.49
(-) Permitted payments	(13.00)	(275.37)	(288.37)
(-) Amount deposited in Banks	(2,702.44)	(7,018.61)	(9,721.05)
<b>Closing cash in hand as on 30.12.2016</b>	<b>-</b>	<b>3,098.60</b>	<b>3,098.60</b>

₹ in lakhs

Special Bank Notes had defined as Bank Notes in notification of the Government of India, Ministry of Financial Department of Economic Affairs No. S.O. 3407(E), dated 8th November 2016.

As per our report of even date attached.

**For Gokhale & Sathe**  
Chartered Accountants  
Firm's Registration No: 103264W

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

Mumbai  
Date: 25 May 2017

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

**M. Sankaranarayanan**  
Chief Financial Officer

Mumbai  
Date: 25 May 2017

**For and on behalf of the Board of Directors of  
MEP Infrastructure Developers Limited**  
CIN: L45200MH2002PLC136779

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

**Harshad Pusalkar**  
Company Secretary

# 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**

Deputy Managing Director

### **Khimji Pandav**

Independent Director

### **Vijay Agarwal**

Independent Director

### **Deepak Chitnis**

Independent Director

### **Mira Mehrishi**

Independent Director

## COMPANY SECRETARY & COMPLIANCE OFFICER

### **Harshad Pusalkar**

## STATUTORY AUDITORS

### **Gokhale & Sathe**

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

email: investorrelations@mepinfra.com

Website: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

Janakalyan Sahakari Bank Limited

TJSB Sahakari Bank Limited

The Ambernath Jai-Hind Co-op Bank Limited

IFCI Ltd.

Mumbai Bank

PMC Bank

