

Valecha LM Toll Private Limited

**“Valecha Chambers”,
4th Floor, Andheri New Link Road,
Andheri (West),
Mumbai – 400 053.**

Annual Report

F Y : 2017-18



A. B. DOTIYA & COMPANY

Chartered Accountants

CA Aditya Dotiya

ACA, B.Com

Email: dotiyaa@yahoo.com Cell: 91 - 9222007507

14/15, Divya Jyoti, Road No.07, Daulat Nagar, Borivali - (E), Mumbai - 400 066.

Independent Auditor's Report

To The Members of M/s. Valecha LM Toll Private Limited Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **M/s. Valecha LM Toll Private Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and 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 Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and Cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Director, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.



Opinion

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

Matters of Emphasis

9. We draw attention to the following matter in the notes to financial statements

a) Note No.22 Which indicates that the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net loss during the current and previous years and, the Company's current liabilities exceeded its current assets as at the Balance Sheet date. These conditions, along with other matters set forth in Note No. 22, indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However the standalone financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said. Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016, ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
10. As required by section 143(3) of the Companies Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - The Balance Sheet, the Statement of Profit and Loss and Cash flow statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid Ind AS standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of section 164(2) of the Act.
 - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mumbai

Date: 16th July, 2018



For A. B. Dotiya & Co.
FRN : 135371W
Chartered Accountants

Aditya Dotiya
Proprietor
Membership No. 152421

Referred to in Paragraph 9 of the Independent Auditor's Report of even date to the members of Valecha L M Toll Private Limited on the standalone financial statements for the year ended March 31, 2018

i. In respect of fixed assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b) The Company has a programme of verification of its fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable regard to the size of the Company and the nature of its fixed assets. Pursuant to the programme, certain assets were physically verified by the Management during the year. According to the information and the explanation given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and the records examined by us and based on the examination of registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties, as disclosed in Note 9 on fixed assets to the financial statements, are held in the name of the Company.
- ii. There was no inventory lying as on 31st March 2018 and accordingly, the provisions of Clauses (ii) of Para 3 of "the Order" are not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, to companies, and other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. According to the information and explanations given to us, the Company has not granted loans made any investments, given any guarantees and security. Hence, the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable to the Company.
- v. According to the information and explanations given to us, during the year, the Company has not accepted any deposits from the public.
- vi. According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under section 148 (1) of the Companies Act, 2013.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing its undisputed statutory dues.
b. According to the information and explanations given to us, there are no amounts in respect of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- viii. The Company has defaulted in repayment of dues to financial institutions or banks cumulatively amounting to Rs. 32.13 Crores (including interest thereon) (SBI-Rs.12.95 crores & Axis-19.18 crores) for few days. However, the defaulted amount has since been paid/regularised/settled as at the balance sheet date except Rs. 3.92 crores for last quarter (SBI-1.89 crores & Axis 2.03 crores). Further, the Company does not have any debentures issued/outstanding any time during the year.



- ix. In our opinion and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments), or term loans and hence reporting under paragraph 3(ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by the officers or employees has been noticed or reported during the year.
- xi. The Company has paid or provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.
- Xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of the Act, where applicable, for all transactions with the related parties and details of related parties and details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards
- xiv. According to the information and explanations 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 and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of Section 192 of the Companies Act are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place: Mumbai

Date: 16th July, 2018



For A. B. Dotiya & Co.
FRN : 135371W
Chartered Accountants

A handwritten signature in blue ink, appearing to read 'Aditya'.

Aditya Dotiya
Proprietor

Membership No. 152421

Valecha LM Toll Private Limited
Balance Sheet as at 31st March 2018

Particulars	Note No	(Amount in INR)		
		As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
I. ASSETS				
1 Non-Current Assets				
(a) Property, Plant and Equipment	1	12,70,505	16,92,733	23,24,007
(b) Intangible Assets	1	1,99,13,58,612	2,10,46,11,235	2,21,78,63,858
Total Non Current Assets		1,99,26,29,117	2,10,63,03,968	2,22,01,87,865
2 Current Assets				
(I) Financial Assets				
(a) Cash and Cash equivalents	2	2,40,70,195	18,52,983	1,86,56,501
(b) Loans	3	83,632	3,69,91,132	3,71,57,500
(c) Other Current Assets	4	4,00,125	3,56,507	14,37,138
Total current Assets		2,45,53,952	3,92,00,622	5,72,51,139
TOTAL ASSETS		2,01,71,83,069	2,14,55,04,590	2,27,74,39,004
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share Capital	5	10,00,00,000	10,00,00,000	10,00,00,000
(b) Other Equity	6	(53,85,45,245)	(34,25,56,441)	(19,25,21,330)
Total Equity		(43,85,45,245)	(24,25,56,441)	(9,25,21,330)
2 Non Current Liabilities				
(I) Financial Liabilities				
(a) Borrowing	7	1,63,43,32,642	2,02,54,42,619	2,14,80,64,623
(b) Deferred Tax Liabilities(Net)	8	-	1,64,83,049	2,42,34,572
(c) Provisions	9	4,20,58,753	2,13,08,680	1,32,93,467
Total Non-Current Liabilities		1,67,63,91,395	2,06,32,34,348	2,18,55,92,662
3 Current liabilities				
(a) Financial Liabilities				
1) Borrowing	10	24,27,10,814	10,78,690	10,96,466
2) Trade payables	11	1,60,10,857	1,49,98,648	1,48,91,469
(b) Other current Liabilities	12	52,06,15,248	30,87,49,345	16,83,79,737
Total Current Liabilities		77,93,36,919	32,48,26,683	18,43,67,672
TOTAL EQUITY & LIABILITIES		2,01,71,83,069	2,14,55,04,590	2,27,74,39,004

The notes form an integral part of these financial statements

As per our report of even date

For A. B. DOTIYA & CO.
Chartered Accountants
FRN: 135371W

Aditya Dotiya
Aditya Dotiya
Proprietor
Membership No : 152421
Place : Mumbai
Date : 16th July,2018



For and on behalf of the Board

S.M. Dahanu
Director
Santosh K. Patil
Director



Valecha LM Toll Private Limited
Statement of Profit & Loss for the Year Ended on 31st March 2018

(Amount in INR)

Particulars	Note No	As at 31st March, 2018	As at 31st March, 2017
I. Revenue from operations		26,59,49,745	24,44,39,156
II. Other income		4,89,647	2,37,752
III. Total Revenue (I + II)		26,64,39,392	24,46,76,908
IV. Expenses:			
MPRDC Premium		1,35,34,967	1,28,90,445
Employee benefits expense	13	1,08,11,895	1,06,59,087
Finance costs	14	25,88,80,657	23,79,33,522
Depreciation and amortization expense		11,36,74,851	11,38,83,897
Other expenses	15	12,02,81,474	6,72,94,592
Total expenses		51,71,83,844	44,26,61,543
V. Loss before exceptional and extraordinary items and tax (III-IV)		(25,07,44,452)	(19,79,84,635)
VI. Exceptional items		-	-
VII. Loss before extraordinary items and tax (V - VI)		(25,07,44,452)	(19,79,84,635)
VIII. Extraordinary Items		-	-
IX. Loss before tax (VII- VIII)		(25,07,44,452)	(19,79,84,635)
X Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(1,64,83,049)	(77,51,523)
XI Loss for the period		(23,42,61,403)	(19,02,33,112)
XII Other Comprehensive Income			
A Items that will not be reclassified to Profit & Loss (net of tax)			
B Items that will be reclassified to Profit & Loss (net of tax)			
C Transaction with owners in their capacity as owners		3,82,72,600	4,01,98,000
Total Comprehensive income for the period (XI + XII) (Comprising profit/loss and other comprehensive income for the period)		(19,59,88,803)	(15,00,35,112)
XIII Earnings per equity share:			
(1) Basic		(3.88)	(2.35)
(2) Diluted		(3.88)	(2.35)

The notes form an integral part of these financial statements

As per our report of even date

For A. B. DOTIYA & CO.

Chartered Accountants

FRN: 135371W

Aditya Dotiya

Proprietor

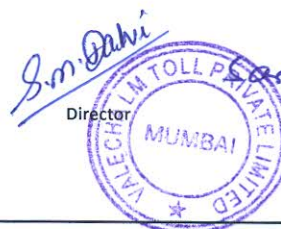
Membership No : 152421

Place : Mumbai

Date : 16th July,2018



For and on behalf of the Board



Director

Director

VALECHA LM TOLL PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2018

(Amount in INR)

	As at 31st March, 2018	As at 31st March, 2017
A Cash flow from Operating Activity		
Loss Before Tax and Extraordinary Item	(25,07,44,452)	(19,79,84,635)
Add / (Deduct) Adjustment for :		
Depreciation	11,36,74,851	11,38,83,897
Interest Paid	25,88,80,657	23,79,33,522
Interest Received	(4,89,647)	(2,37,752)
Operating Profit before working capital changes	12,13,21,409	15,35,95,032
Trade and other Receivable	3,68,63,882	12,46,999
Trade and other Payables	45,45,10,235	14,04,59,011
Provisions	2,07,50,073	80,15,213
Net Cash Flow from Operating Activity	63,34,45,599	30,33,16,256
B Cash Flow from Investing Activity		
Interest Received	4,89,647	2,37,752
Net Cash flow From Investing Activity	4,89,647	2,37,752
C. Cash Flow from Financing Activities		
Increase in Other Equity	3,82,72,600	4,01,98,000
Interest Paid	(25,88,80,657)	(23,79,33,522)
Repayment Of Loan	(39,11,09,977)	(12,26,22,004)
Net Cash From Financing Activities	(61,17,18,034)	(32,03,57,526)
Net Increase / (Decrease) in Cash and Cash Equivalents	2,22,17,212	(1,68,03,518)
Opening Balance of Cash and Cash Equivalents	18,52,983	1,86,56,501
Closing Balance of Cash and Cash Equivalents	2,40,70,195	18,52,983

As per our report of even date

For A. B. DOTIYA & CO.

Chartered Accountants

FRN: 135371W

Aditya Dotiya

Proprietor

Membership No : 152421

Place : Mumbai.

Date : 16th July, 2018



For and on behalf of the Board

S. M. Dahanu Director

Santosh K. Patil Director

Valecha LM Toll Private Limited

Statement of changes in equity

A. Equity Share Capital

Particulars	Amount
Balance as at April 1, 2016	10,00,00,000
Changes in equity share capital during the year	-
Balance as at March 31, 2017	10,00,00,000
Changes in equity share capital during the year	-
Balance as at March 31, 2018	10,00,00,000

B. Other Equity

Particulars	Retained Earnings	Security Premium	Reserves and Surplus		Total
			Compulsory Convertible Debenture	Corporate Guarantee	
Balance as at March 31, 2016	(79,55,21,330)	9,88,00,000	50,42,00,000	-	(19,25,21,330)
Profit for the year	(19,02,33,112)	-	-	-	(19,02,33,112)
Other comprehensive income	-	-	-	4,01,98,000	4,01,98,000
Balance as at March 31, 2017	(98,57,54,441)	9,88,00,000	50,42,00,000	4,01,98,000	(34,25,56,441)
Profit for the year	(23,42,61,403)	-	-	-	(23,42,61,403)
Other comprehensive income	-	-	-	3,82,72,600	3,82,72,600
Balance as at March 31, 2018	(1,22,00,15,845)	9,88,00,000	50,42,00,000	7,84,70,600	(53,85,45,245)

As per our report of even date
For A. B. DOTIYA & CO.
Chartered Accountants
FRN: 135371W



Aditya Dotiya
Aditya Dotiya
Membership No : 152421
Proprietor
Place : Mumbai.
Date : 16th July, 2018

For and on behalf of the Board

S.M. Dabhi Director
Santosh K. Patel Director

Note 1: Fixed Assets								
Details	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 1 April 2016	Additions/ (Disposals)	Balance as at 31 March 2017	Balance as at 1 April 2016	Depreciation charge for the Period	Balance as at 31 March 2017	Balance as at 31 March 2017	Balance as at 1 April 2016
(I) Tangible Assets								
Land	6,90,825	-	6,90,825	-	-	-	6,90,825	6,90,825
Plant and Equipment	3,06,802	-	3,06,802	1,06,599	28,600	1,35,199	1,71,603	2,00,203
Furniture and Fixtures	2,54,640	-	2,54,640	1,00,934	30,741	1,31,675	1,22,965	1,53,706
Vehicles	2,77,930	-	2,77,930	1,53,096	41,611	1,94,707	83,223	1,24,834
Computer	26,77,476	-	26,77,476	22,73,231	1,64,497	24,37,728	2,39,748	4,04,245
Office equipment	14,83,358	-	14,83,358	7,33,164	3,65,825	10,98,989	3,84,369	7,50,194
Total	56,91,031	-	56,91,031	33,67,024	6,31,274	39,98,298	16,92,733	23,24,007
(II) Intangible Assets								
Concessionaire Right	2,70,86,25,224	-	2,70,86,25,224	49,07,61,366	11,32,52,623	60,40,13,989	2,10,46,11,235	2,21,78,63,858
Total	2,70,86,25,224	-	2,70,86,25,224	49,07,61,366	11,32,52,623	60,40,13,989	2,10,46,11,235	2,21,78,63,858
(I)+(II) Gross Total	2,71,43,16,255	-	2,71,43,16,255	49,41,28,390	11,38,83,897	60,80,12,287	2,10,63,03,968	2,22,01,87,865
Previous Year	(2,71,35,76,478)	(7,39,777)	(2,71,43,16,255)	(38,03,48,320)	(11,37,80,070)	(49,41,28,390)	(2,22,01,87,865)	

Note :- Figures shown in brackets are in respect of previous period

Note 1: Fixed Assets								
Details	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 1 April 2017	Additions/ (Disposals)	Balance as at 31 March 2018	Balance as at 1 April 2017	Depreciation charge for the Period	Balance as at 31 March 2018	Balance as at 31 March 2018	Balance as at 1 April 2017
(I) Tangible Assets								
Land	6,90,825	-	6,90,825	-	-	-	6,90,825	6,90,825
Plant and Equipment	3,06,802	-	3,06,802	1,35,199	28,600	1,63,799	1,43,003	1,71,603
Furniture and Fixtures	2,54,640	-	2,54,640	1,31,675	30,741	1,62,416	92,224	1,22,965
Vehicles	2,77,930	-	2,77,930	1,94,707	41,611	2,36,318	41,612	83,223
Computer	26,77,476	-	26,77,476	24,37,728	1,23,749	25,61,477	1,15,999	2,39,748
Office equipment	14,83,358	-	14,83,358	10,98,989	1,97,527	12,96,516	1,86,842	3,84,369
Total	56,91,031	-	56,91,031	39,98,298	4,22,228	44,20,526	12,70,505	16,92,733
(II) Intangible Assets								
Concessionaire Right	2,70,86,25,224	-	2,70,86,25,224	60,40,13,989	11,32,52,623	71,72,66,612	1,99,13,58,612	2,10,46,11,235
Total	2,70,86,25,224	-	2,70,86,25,224	60,40,12,287	11,32,52,623	60,40,13,989	1,99,13,58,612	2,10,46,11,235
(I)+(II) Gross Total	2,71,43,16,255	-	2,71,43,16,255	49,41,28,390	11,36,74,851	60,80,12,287	1,99,26,29,117	2,10,63,03,968



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2018			
Note 2 Cash and cash equivalents	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
1) Cash on Hand	8,98,319	8,13,807	9,66,047
2) Balances with Banks	-	-	-
In Current Accounts	33,20,415	3,88,232	7,92,236
In Escrow Account	19,58,954	6,50,944	2,21,630
Bank Term Deposit for DSRA	1,77,36,366	-	1,65,00,000
Interest Accrued on Bank Term Deposit	1,56,141	-	1,76,588
Total	2,40,70,195	18,52,983	1,86,56,501

Note 3 Short Term Loan and Advance	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Security Deposits	83,632	83,632	79,000
Prepaid Expenses	-	3,69,07,500	3,70,78,500
Total	83,632	3,69,91,132	3,71,57,500

Note 4 Other Current Assets	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
TDS Receivable	4,00,125	3,56,507	14,37,138
Total	4,00,125	3,56,507	14,37,138



1 NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2018

Note 5	SHARE CAPITAL	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
(I) Authorised Share Capital				
2,00,00,000 Equity Shares of Rs 10 each		20,00,00,000	20,00,00,000	20,00,00,000
		20,00,00,000	20,00,00,000	20,00,00,000
(II) Equity Shares - Issued, Subscribed and Paid up				
1,00,00,000 Equity Shares of Rs 10.00 each		10,00,00,000	10,00,00,000	10,00,00,000
		10,00,00,000	10,00,00,000	10,00,00,000

2 Reconciliation of Number of shares
Equity Share

Particular	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Share	Amount	No. of Share	Amount	No. of Share	Amount
At the beginning of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Add: Issued during the year	-	-	-	-	-	-
At the end of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000

3 Equity shares held by each shareholder holding more than 5% equity shares in the Company are as follows:

Particular	As at 31st March, 2018		As at 31st March, 2017		As at 31st March, 2016	
	No. of share	% of holding	No. of share	% of holding	No. of share	% of holding
M/s. Valecha Infrastructure Ltd.	74,00,000	74	74,00,000	74	74,00,000	74
M/s. Piramal Infrastructure Ltd.	26,00,000	26	26,00,000	26	26,00,000	26
	1,00,00,000	100	1,00,00,000	100	1,00,00,000	100

4 (V) Terms / Rights attached to Shares:

- (a) The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.
- (b) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 6 OTHER EQUITY

	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Reserve & Surplus			
(I) Security Premium Account	9,88,00,000	9,88,00,000	9,88,00,000
(II) Surplus / (Deficit) in Statement of Profit & Loss			
Balance Brought Forward	(98,57,54,441)	(79,55,21,330)	(1,32,93,467)
Provision for Resurfacing			
Surplus / (Deficit) in Statement of Profit & Loss during the Year	(23,42,61,403)	(1,22,00,15,845)	(98,57,54,441)
		(19,02,33,112)	(78,22,27,863)
(III) Compulsory Convertible Debenture (Unsecured)			
Compulsory Convertible Debenture are to be converted into Equity Shares	50,42,00,000	50,42,00,000	50,42,00,000
3,73,10,000/- CCD of Rs. 10 each allotted to M/s Valecha Infrastructure Ltd.			
1,31,10,000/- CCD of Rs. 10 each allotted to M/s Piramal Infrastructure Pvt. Ltd.			
(IV) Corporate guarantee given by the Parent Company	7,84,70,600	4,01,98,000	-
Total	(53,85,45,245)	(34,25,56,441)	(19,25,21,330)



Note 7 BORROWING (NON-CURRENT)			
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
(I) Term Loan From Bank (Secured) (see note below)	1,63,43,32,642	1,78,30,00,000	1,92,55,00,000
(II) Loans & Advances from related parties Unsecured	-	24,24,42,619	22,25,64,623
Total (I+II)	1,63,43,32,642	2,02,54,42,619	2,14,80,64,623
(II) Term Loan From Bank (Secured)	1,82,50,32,642	1,98,88,00,000	2,03,10,00,000
State Bank of India	96,44,98,000	1,04,63,00,000	1,06,85,00,000
Axis Bank	86,05,34,642	94,25,00,000	96,25,00,000
Total Term Loans	1,82,50,32,642	1,98,88,00,000	2,03,10,00,000
Total Secured Loans	1,82,50,32,642	1,98,88,00,000	2,03,10,00,000
Notes of Term Loans			
a) Security Coverage			
(Term Loans are Secured by first pari passu charge on the moveable/ immovable assets and all intangible assets by way of mortgage/ hypothecation, and first charge on rights and interest in project, present and future and by way of pledge of share held by promoter company)			
Bank	Amount Sanctioned	Interest Rate	Repayment Terms
State Bank of India	1,11,00,00,000	Base rate + 2.25%	Payable in 44
Axis Bank	1,00,00,00,000	Base rate + 2.00%	(Forty Four)
b) Maturity profile of Secured Loan			
Total Repayments (Rs in crores)			
Year	Amount (Rs. Crs.)		
2018-19	14.77		
2019-20	16.88		
2020-21	18.99		

Note 8 Deferred Tax Liabilities	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Deferred Tax Liabilities	-	1,64,83,049	2,42,34,572
Total	-	1,64,83,049	2,42,34,572

Note 9 Provisions Non Current	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Resurfacing Expenses	4,20,58,753	2,13,08,680	1,32,93,467
	4,20,58,753	2,13,08,680	1,32,93,467
As per the service concession arrangement with MPRDC, the company is obligated to carry out resurfacing of the roads under concession. The company estimates the likely provision required towards resurfacing and accrues the costs on a straight line basis over the period at the end of the which resurfacing would be required, in the Statement of Profit and Loss in accordance with Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets.			
Movement			
Opening	2,13,08,680	1,32,93,467	
Addition	2,07,50,073	80,15,213	1,32,93,467
Closing	4,20,58,753	2,13,08,680	1,32,93,467



Note No.10 Short-Term Borrowings	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Loans & Advances from related parties			
Unsecured	24,27,10,814	10,78,690	10,96,466
Total	24,27,10,814	10,78,690	10,96,466

Note No.11 Trade Payable	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Sundry Creditor-Other	1,60,10,857	1,49,98,648	1,48,91,469
Total	1,60,10,857	1,49,98,648	1,48,91,469

Note No.12 Other Current Liabilities	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Other Payable			
1) Statutory remittance	2,20,526	2,36,402	10,94,905
2) Interest Payable	29,83,41,628	8,48,58,821	5,68,07,710
3) Expenses Payable	3,03,53,094	1,68,54,122	39,77,122
4) Retention Money Payable	10,00,000	10,00,000	10,00,000
5) Current Maturity of Long Term Debt	19,07,00,000	20,58,00,000	10,55,00,000
Total	52,06,15,248	30,87,49,345	16,83,79,737



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st March 2018			Amt. in INR
Note 13: Employee benefits expense	31st March, 2018	31st March, 2017	
1) Salaries & Wages	94,51,224	93,17,979	
2) Contribution to Provident Fund	8,07,705	7,82,992	
3) Others	5,52,966	5,58,116	
Total	1,08,11,895	1,06,59,087	
Note 14: Finance costs	31st March, 2018	31st March, 2017	
Interest Expense - On Fixed Period Loan	25,88,80,657	23,79,33,522	
Total	25,88,80,657	23,79,33,522	
Note 15: Other expenses	31st March, 2018	31st March, 2017	
1) Business Promotion	67,701	48,651	
2) Communication	88,614	99,102	
3) Insurance	10,07,149	-	
4) Legal & Professional Fee	4,16,79,024	44,28,131	
5) Power & Fuel	19,61,340	17,76,118	
6) Printing & Stationery	1,86,252	1,73,472	
7) Rates & Taxes	5,35,487	3,82,033	
8) Repair & Maintenance	1,10,14,081	73,11,051	
9) Travelling & Conveyance	3,33,285	3,81,732	
10) Toll Operator Fees	20,68,050	20,26,892	
11) Payment to Auditors	2,42,000	2,59,625	
12) Sundry Operational Expenses	11,37,819	9,19,564	
13) Toll Collection System - Amc	9,38,000	9,20,000	
14) Corporate Guarantee Fees	3,82,72,600	4,01,98,000	
15) MMR Provision	2,07,50,073	80,15,213	
16) Interest Paid on Statutory Liabilities	-	3,55,008	
Total	12,02,81,474	6,72,94,592	



19. Segment Reporting

The Company is a special purpose vehicle which has a single special purpose of development of Lebad Manpur Road Section in the state of Madhya Pradesh on BOT basis; therefore segment reporting is not applicable as per IND AS - 108.

20. Provision for Taxes:

A. Current Tax:

The Provision for income tax is determined in accordance with the provisions of Income Tax Act 1961.

B. Deferred Tax Liabilities:

Deferred Tax Liability is recognized on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. It is calculated using the applicable tax rates and tax laws that have been enacted on the balance sheet date.

Deferred Tax Liability/ (Assets) are as under:

Deferred tax liability/(Assets)	As at 31 st March, 2018	As at 31 st March, 2017
On account of Timing difference between the depreciation as per companies act and income tax act on Fixed Assets (Tangible and Intangible Assets)	Rs. (1,64,83,049)/-	Rs. (77,51,523)/-

21. Auditors Remuneration (including taxes):

Particulars	(Amount in INR)	
	2017-18	2016-17
Statutory Audit	1,75,000	1,75,000
GST/ST & other services	67,000	84,625
Total	2,42,000	2,59,625

22. The Company has incurred substantial losses from its operations for the last few years which have eroded its net worth substantially. This raises doubt about its ability to continue as going concern. However, the management is of the opinion that on approval of Master Restructuring Agreement by the banks, increase in toll collection due to yearly rate revision and consistent growth in the traffic, the company will be able to return profitability over the next few years. Hence the financial statements have been prepared assuming that the company will continue as going concern. No adjustments are, hence, made in the financial statement that might result from the outcome of this uncertainty.



Notes on Accounts Forming Part of the Balance Sheet as at 31st March, 2018

NOTES TO THE FINANCIAL STATEMENTS

16. Contingent Liabilities :

There is no contingent Liabilities as on the date of balance sheet.

17. Employees' Retirement and other Benefits:

As per management no liability for retirement benefit costs (Gratuity Provision) arises to the Company, therefore compliances with the IND AS - 19 on "Employees Benefits" is not applicable to the Company.

18. Related party Disclosure :

The Company has undertaken following transactions with the related parties in terms of IND AS – 24 "Related Party Disclosure":

A) The name of related parties with the nature of relationship:

Promoters & Associates	Relationship
Valecha Infrastructures Ltd (VIL)	Promoter holding 74% of Share capital
Piramal Infrastructure Pvt Ltd (PIPL)	Share holder holding 26% of Share capital
Valecha Engineering Limited (VEL)	EPC Contractor and Ultimate Holding Company
Valecha Badwani Sendhwa Toll Ways Limited (VBSTL)	Fellow Subsidiary
Valecha Kachchha Toll Roads Ltd.	Fellow Subsidiary

Key Management Personnel	Relationship
Mr. Santosh Kumar Patro	Director
Mr. Sandesh Manaji Dalvi	Director
Mr. Vishwas Somnath Gondhale	Director

B) Transaction with the related parties. (FY 2017-18)

Nature of Transaction	Promoters & Associates	Name of the Party
Unsecured Loan (payable)	Rs. 23,27,58,332/- Rs. 96,90,000/-	Valecha Engineering Limited (VEL) Piramal Infrastructure Pvt Ltd (PIPL)
Retention Money (payable)	Rs. 1,50,00,000/-	Valecha Engineering Limited (VEL)
Equity Contribution	Rs. 7,40,00,000/- Rs. 2,60,00,000/-	Valecha Infrastructure Ltd (VIL) Piramal Infrastructure Pvt Ltd (PIPL)
Compulsory Convertible Debentures	Rs. 37,31,00,000/- Rs. 13,11,00,000/-	Valecha Infrastructure Ltd (VIL) Piramal Infrastructure Pvt Ltd (PIPL)
Short Term Borrowings	Rs. 1,79,240/- Rs. 83,242/- Rs. 8,16,208/-	Valecha Kachchh Toll Roads Ltd (VKTRL) Valecha Badwani Sendhwa Toll Ways Ltd (VBSTL) Valecha Engineering Limited (VEL)



23. The Company has lodged a claim of Rs. 146.88 lacs as interest born and Rs. 34.45 lacs as interim direct cost (totaling to Rs. 181.33 lacs) to the Managing Director, Madhya Pradesh Road Development Corporation Ltd, (Govt of M.P. Undertaking) 45-A, Arera Hills, Bhopal – 462011 as compensation for suspension of toll collection operation from 08th November, 2016 to 03rd December, 2016 consequent to Demonetization vide their Letter dated 06.01.2017 (a copy enclosed). The Company proposes to write a suitable note to “The Notes to Accounts” for the FY 2016-17.

24. The previous year figures have been reworked, regrouped, rearranged, and reclassified wherever necessary to correspond with the figures of the current year.

For and on behalf of the Board


Director



Director

Place: Mumbai

Date: 16th July, 2018

ANNEXURE I

A. BACKGROUND :

1. Corporate Information :

Valecha LM Toll Pvt. Ltd.(VLMTPL) is a Private Limited Company incorporated in India on 22.04.2010 with the registered office at Valecha chamber, 4th Floor, Andheri New Link Road, Andheri (W), Mumbai -400 053. VLMTPL is a subsidiary Company of Valecha Infrastructure Limited which holds 74% of the equity share capital of the Company. The remaining 26% of the equity capital is held by Piramal Roads Infra Pvt. Ltd.

VLMTPL has been set up to Design, Engineering, Construction, Development, Finance, Operation and maintenance, construction of Four Laning Road of Lebad (SH-31) to Manpur (NH-3), in Bhopal, Madhya Pradesh on Build –Operate-Transfer (BOT) basis and it operates under a single business and geographical segment.

2. Concession Arrangement entered into between VLMTPL and MPRDC

The 'Concession Agreement' entered into between VLMTPL and MPRDC, the government of Madhya Pradesh, conferred the right to the Company to implement the project and recover the project cost, through the levy of fees/toll revenue, with a designated rate of return over a period of 25 years concession period commencing from the 27.10.2010, i.e. the date of certificate of commencement, or till such time the designated return is recovered whichever is earlier.

B. SIGNIFICANT ACCOUNTING POLICIES :

1. **Basis of preparation:** The financial statements have been prepared to comply in all material respects with the Notified accounting standards by Companies (Accounting Standards) and Rules, and the relevant provisions of the Companies Act, throughout the accounting period. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company throughout the accounting period.
2. **Use of estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.
3. **Revenue Recognition :**
 - A. **Toll Collection:** Toll Revenue is recognized in respect of toll collected at the Toll plaza of the company at Lebad-Manpur.
 - B. **Interest Accrued on Deposit with Bank:** Income from Interest on deposits is recognized on time proportionate method.



4. **Fixed Assets :**

- A. **Tangible Assets:** Tangible Fixed Assets are stated at original cost less depreciation
B. **Intangible Assets:** All the expenses incurred during construction period are capitalized as Intangible asset and recognized as per Accounting Standard AS 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India (ICAI).

5. **Depreciation :**

- A. **Depreciation on Tangible Assets:** Tangible Fixed Assets are depreciated on the basis of useful lives of assets as prescribed in Part 'C' of Schedule II of the Companies Act 2013.
B. **Amortization of Intangible Assets:** Intangible Asset is amortized as per Accounting Standard AS 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India (ICAI).

6. **Borrowing costs :**

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

7. **Impairment of Assets :**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is only indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

For and on behalf of the Board


 Director


 Director

Place: Mumbai

Date: 16th July, 2018