AUDITED

BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED

31 MARCH 2018

Supreme Vasai Bhiwandi Tollways Private Limited

Supreme Vasai Bhiwandi Tollways Private Limited
Balance Sheet as at 31 March 2018

	Note No.	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	1.68	1.02
Intangible assets	4	20,703.60	21,105.69
Financial assets			
Other financial assets	5	71.78	83.74
Other non-current assets	6	4.27	3.31
Total non-current assets		**20,781.33**	**21,193.76**
Current assets			
Financial assets			
Loans	7	5,009.93	5,606.11
Cash and cash equivalents	8	85.17	27.14
Bank Balance other than cash and cash equivalent above	9	-	232.08
Other financial assets	5	597.71	394.86
Other current assets	6	27.30	12.13
Total current assets		**5,720.11**	**6,272.32**
TOTAL ASSETS		**26,501.44**	**27,466.08**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	1.00	1.00
Other equity		(526.75)	730.44
Total equity		**(525.75)**	**731.44**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	11	23,526.83	23,322.87
Provisions	12	1,070.53	964.44
Total non-current liabilities		**24,597.36**	**24,287.31**
Current liabilities			
Financial liabilities			
Trade payables	13	168.94	244.29
Other financial liabilities	14	2,243.51	2,188.34
Other current liabilities	15	17.38	14.69
Total current liabilities		**2,429.83**	**2,447.32**
TOTAL EQUITY AND LIABILITIES		**26,501.44**	**27,466.08**

Notes 1 to 27 form an integral part of the financial statements

This is the Balance Sheet referred to in our audit report of even date

For Kedia & Agrawal
Chartered Accountants
Firm Registration No. 140989W

KEDIA & AGRAWAL
Mumbai
F.R.N.
140989W
CHARTERED ACCOUNTANTS

Sunil Kedia
Partner
Membership No.- 427613

Place: Mumbai
Date: 30 May 2018

For and on behalf of the Board of Directors

Vikram Sharma
Director
DIN: 01249904

Pankaj Sharma
Director
DIN: 06521467

Place: Mumbai
Date: 30 May 2018

Supreme Vasai Bhiwandi Tollways Private Limited
Statement of Profit and Loss for the year ended 31 March 2018

	Note No.	Year ended 31 March 2018 Rs. in lakhs	Year ended 31 March 2017 Rs. in lakhs
Income			
Revenue from operations	16	2,703.30	3,172.39
Other income	17	15.19	15.04
Total income		2,718.48	3,187.43
Expenses			
Employee benefits expense	18	105.67	88.09
Finance costs	19	2,978.97	5,210.30
Depreciation and amortisation expense	20	402.42	473.06
Other expenses	21	488.61	572.08
Total expenses		3,975.67	6,343.53
Profit/(loss) before tax		(1,257.19)	(3,156.10)
Tax expense			
Current income tax		-	-
Deferred income tax / (credit)		-	-
		-	-
Profit/(loss) for the year (A)		(1,257.19)	(3,156.10)
Other comprehensive income			
Items not to be reclassified subsequently to profit or loss		-	-
Items to be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the year, net of tax (B)		-	-
Total comprehensive income for the year, net of tax (A+B)		(1,257.19)	(3,156.10)
Earnings/(loss) per equity share of nominal value Rs. 10 each Basic and diluted (in Rs.)	22	(12,571.90)	(31,560.96)

Notes 1 to 27 form an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our audit report of even date

For Kedia & Agrawal
Chartered Accountants
Firm Registration No. 140989W

KEDIA & AGRAWAL Mumbai F.R.N. 140989W CHARTERED ACCOUNTANTS

Sunil Kedia
Partner
Membership No.- 427613

Place: Mumbai
Date: 30 May 2018

For and on behalf of the Board of Directors

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Director
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Place: Mumbai
Date: 30 May 2018

Supreme Vasai Bhiwandi Tollways Private Limited
Cash Flow Statement for the year ended 31 March 2018

		Year ended 31 March 2018 Rs. in lakhs		Year ended 31 March 2017 Rs. in lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit/(loss) before tax		(1257.19)		(3156.10)
Adjustments for:				
Resurfacing Exp	106.09		95.58	
Interest Income	15.19		(15.04)	
Depreciation	402.42		473.06	
Finance costs	2,966.27		5,198.34	
		3,489.97		5,751.93
Operating profit/(loss) before working capital changes		2232.78		2595.83
Change in Operating assets and liabilities				
(Increase) /decrease in other financial asset-Non current	11.96		11.96	
(Increase) /decreasein other financial asset-current	(202.85)		(326.61)	
(Increase) /decrease in loans and advances / other advances	581.02		(23.54)	
(Increase) /decrease in other Non current assets	(0.96)		(1.67)	
Increase / (decrease) in trade and other payables	(78.97)		(2157.16)	
		310.20		(2497.02)
Cash generated from/(used in) operations		2542.98		98.82
Direct taxes paid		-		-
Net cash generated from/(used in) operating activities		2542.98		98.82
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payments for property, plant and equipment	(1.00)		(0.30)	
Addition to intangible assets under development (including movement of capital advance and payable for capital expenditure)	-		-	
Interest Income	(15.19)		15.04	
Net cash used in investing activities		(16.19)		14.74
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from long-term borrowings	341.35		4,048.06	
Interest and other finance charges paid	(3,042.19)		(4,156.76)	
Net cash generated from financing activities		(2,700.84)		(108.70)
Net decrease in cash and cash equivalents (A+B+C)		(174.05)		[illegible]
Cash and cash equivalents at the beginning of the year		259.22		254.36
Cash and cash equivalents at the end of the year (Refer note 8)	85.17		259.22	
		(174.05)		4.86

Notes 1 to 27 form an integral part of the financial statements

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

For Kedia & Agrawal
Chartered Accountants
Firm Registration No. 140989W

For and on behalf of the Board of Directors

Sunil Kedia
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Place: Mumbai
Date: 30 May 2018

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Supreme Vasai Bhiwandi Tollways Private Limited
Statement of Change in Equity for the year ended 31 March 2018

a) Equity share capital

Particulars	Number	Rs. in lakhs
Equity shares of Rs. 10 each issued, subscribed and paid		
As at 1 April 2016	10,000	1.00
Issue of equity shares	-	-
As at 31 March 2017	**10,000**	**1.00**
Issue of equity shares	-	-
As at 31 March 2018	**10,000**	**1.00**

b) Other equity

Rs. in lakhs

Particulars	Subordinated debt^	Capital Contribution from ultimate holding company	Reserves and surplus	Total other equity
			Retained earnings	
As at 1 April 2016	6,000.00	133.82	(2,247.29)	3,886.54
Profit for the year	-	-	(3,156.10)	(3,156.10)
As at 31 March 2017	**6,000.00**	**133.82**	**(5,403.38)**	**730.44**
Profit for the year	-	-	(1,257.19)	(1,257.19)
As at 31 March 2018	**6,000.00**	**133.82**	**(6,660.57)**	**(526.75)**

^Subordinated debt
i) Subordinated debt is the part of Sponsors Equity from the promoters of the Company for the project which is unsecured and interest free as per Common Loan Agreement with the lenders;
ii) Repayment/redemption/interest servicing will be at the discretion of the borrower.

Notes 1 to 26 form an integral part of the financial statements

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

For Kedia & Agrawal
Chartered Accountants
Firm Registration No. 140989W

For and on behalf of the Board of Directors

Sunil Kedia
Partner
Membership No.- 427613

Vikram Sharma
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DIN No.: 01249904

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Director
DIN: 06521467

Place: Mumbai
Date: 30 May 2018

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Date: 30 May 2018

Supreme Vasai Bhiwandi Tollways Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

Note 1 Corporate Information

Supreme Vasai Bhiwandi Tollways Private Limited ('the Company') is a private limited Company incorporated in India on 1st May,2013. The Company has been set up to develop, establish, construct, operate and maintain a project relating to the construction of the "Chinchoti-Kaman-Anjurphata to Mankoli road M.S.H. No.4" under "Build-Operate-Transfer" (BOT) basis.The registered office of the company is located at 903-905,Tower-B1,9th floor,millennium plaza,Sector-27,Gurgaon - 122002

The financial statements of the Company for the year ended 31 March 2017 were authorised for issue in accordance with resolution of the Board of Directors on 06 June 2018.

Note 2.1 Significant Accounting Policies

I **Basis of Preparation**

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project including d[illegible] liability period and extends up to the payment of liabilities (including retention monies) within the agreed credit period normally applicable to the projec[illegible]

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

II **Accounting Estimates**

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current ma[illegible] assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators .

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Deferred tax assets

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Resurfacing expenses

As per the Service Concession Agreements, 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 over the period at the end of which resurfacing would be required, in the statement of profit and loss in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".

iii Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital work-in-progress represents expenditure incurred in respect of assets under development and not ready for its intended use are carried at cost. Cost includes the cost of replacing part of the plant and equipment and borrowing its for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2015 of its Property, Plant and Equipment and use that carrying value as the deemed cost of the Property, Plant and Equipment on the date of transition i.e. 1 April 2015.

iv Intangible Assets

Under the Concession Agreements, where the Company has received the right to charge users of the public service, such rights are recognised and classified as "Intangible Assets". Such right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the public uses the service and thus are recognised and classified as intangible assets. Such an intangible asset is recognised by the Company at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized when the project is complete in all respects and when the companies receives the completion certificate from the authority as specified in the Concession Agreement.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2015 of its "Toll Collection Rights" (Intangible Assets) and used that carrying value as the deemed cost of the Intangible Assets on the date of transition i.e. 1 April 2015.

v Depreciation/ Amortisation

Depreciation on property, plant and equipment is calculated on a SLM basis using the rates arrived at based on the useful lives estimated by the management which coincides with the rates as per Schedule II of the Companies Act, 2013.

Toll Collection Rights

Toll Collection Rights are amortised over the period of concession i.e. 7 years 6 months, using revenue based amortisation as prescribed in Ind AS 38. Under this method, the carrying value of the rights is amortised in the proportion of actual toll revenue for the year to projected revenue for the balance toll period, to reflect the pattern in which the assets economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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.

a Financial Assets

Initial Recognition

In the case of financial assets not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

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

Financial Assets at Amortised Cost
Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

Financial Assets Measured at Fair Value
Financial assets are measured at fair value through other comprehensive income ("OCI") if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

Impairment of Financial Assets
In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment los financial assets and credit risk exposures.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

De-recognition of Financial Assets
The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b Equity Instruments and Financial Liabilities
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entere into and the definitions of a financial liability and an equity instrument.

Equity Instruments
An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial Liabilities

Initial Recognition
Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables 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 transaction costs.

Subsequent Measurement
The measurement of financial liabilities depends on their classification, as described below

Loans and borrowings
This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. However, the company has borrowings at floating rates. Considering that the impact of restatement of effective interest rate, year on year due to reset of interest rate, is not material and hence the company is amortising the transaction cost in straight line basis over the tenure of the loan. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the transaction cost amortisation process. This category generally applies to borrowings.

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

Financial liabilities at amortised cost
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

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.

Where the Company issues compulsorily convertible debenture, the fair value of the liability portion of such debentures is determined using a market interest rate. This value is recorded as a liability on an amortised cost basis until extinguished on conversion of the debentures. The remainder of the proceeds is attributable to the equity portion of the instrument. This is recognised and included in shareholders' equity (net of income tax) and are not subsequently re-measured.

Where the terms of a financial liability is re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

De-recognition of Financial Liabilities
Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

c Offsetting Financial Instruments
Financial assets and financial liabilities are offset and the net amount is reported in the 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 Cash and Cash Equivalents
Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand and short-term deposits with an original maturity of three month or less, which are subject to an insignificant risk of changes in value.

viii 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 capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

ix Revenue Recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

a Toll revenue
Income from toll collection are recognised on actual collection of toll revenue. However, in case of monthly coupons, income is recognised proportionate to the utilisation till the date of balance sheet.

b Compensation from government
Compensation towards loss of revenue from exempted vehicles, granted by the government (competent) authority, is accrued as other operating revenue in the period for which they are receivable.

c Interest income
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rates applicable. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the Statement of Profit and Loss.

x Income Tax
Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a Current Income Tax
Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Deferred Income Tax
Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternative Tax ("MAT") credit is recognised 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. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

xi Impairment of Non-Financial Assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:
- In case of an individual assets, at the higher of fair value of less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

xii Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xiii Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

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

xiv Segment Information

The Company is engaged in "Road Infrastructure Projects" which in the context of Ind AS 108 "Operating Segment" notified under section 133 of the Act is considered as the only segment. The Company's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.

Note 2.2 Recent accounting pronouncements

Standard 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'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the Company from 1 April 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 is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Supreme Vasai Bhiwandi Tollways Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

Note 3 Property, plant and equipment

Rs. in lakhs

Particulars	Computer	Office equipment	Total
Gross carrying value (at deemed cost)			
As at 1 April 2016	0.73	1.19	1.93
Additions	0.30		0.30
Disposals		-	-
As at 31 March 2017	**1.03**	**1.19**	**2.23**
Additions		1.00	1.00
Disposals			-
As at 31 March 2018	**1.03**	**2.19**	**3.23**
Accumulated depreciation			
As at 1 April 2016			-
Depreciation charge	0.74	0.47	1.21
Accumulated depreciation on disposals		-	-
As at 31 March 2017	**0.74**	**0.47**	**1.21**
Depreciation charge			-
Accumulated depreciation on disposals	0.17	0.17	0.34
As at 31 March 2018	**0.91**	**0.64**	**1.55**
Net carrying value			
As at 31 March 2017	0.30	0.72	1.02
As at 31 March 2018		1.68	1.68

Net carrying value	31 March 2018	31 March 2017
Property, plant and equipment	1.68	1.02

Note 4 Intangible assets

Rs. in lakhs

Particulars	Toll Collection Rights	Total
Gross carrying value (at deemed cost)		
As at 1 April 2016	22,812.33	22,812.33
Additions	-	-
Disposals	-	-
As at 31 March 2017	**22,812.33**	**22,812.33**
Additions	-	-
Disposals	-	-
As at 31 March 2018	**22,812.33**	**22,812.33**
Accumulated amortisation		
As at 1 April 2016	1,234.80	1,234.80
Amortisation charge	471.85	471.85
Accumulated amortisation on disposals	-	-
As at 31 March 2017	**1,706.64**	**1,706.64**
Amortisation charge	402.08	402.08
Accumulated amortisation on disposals	-	-
As at 31 March 2018	**2,108.72**	**2,108.72**
Net carrying value		
As at 31 March 2017	21,105.69	21,105.69
As at 31 March 2018	20,703.60	20,703.60

Net carrying value	31 March 2018	31 March 2017
Intangible assets	20,703.60	21,105.69

Supreme Vasai Bhiwandi Tollways Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs
Note 5 Other financial assets		
Non-current		
Financial guarantees	71.78	83.74
Total non-current financial assets	**71.78**	**83.74**
Current		
Insurance Claim Receivable	-	17.92
Short Toll Collection	-	2.18
Financial guarantees	11.96	11.96
Compensation receivables from government authorities	585.74	362.80
Total current financial assets	**597.71**	**394.86**
Total other financial assets	**669.49**	**47[illegible].60**
Note 6 Other assets		
Non-current		
Balances with government authorities	4.27	3.31
Total other non-current assets	**4.27**	**3.31**
Current		
Advances to related party		
Advance to vendors	27.30	12.13
Total other current assets	**27.30**	**12.13**
Total other assets	**31.57**	**15.44**
Note 7 Loans		
Current		
Loans to related parties	5,009.93	5606.11
Total current loans	**5,009.93**	**5,606.11**
Note 8 Cash and cash equivalents		
a) Balances with banks	76.52	3.53
b) Cash on hand	8.65	23.[illegible]
Total cash and cash equivalents	**85.17**	**2[illegible]**
Note 9 Bank Balance other than cash and cash equivalent above		
a) Margin Money Deposits	-	232.08
Total bank balance other than cash and cash equivalent	**-**	**232.08**

Note 10 Equity share capital	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs
Authorised share capital		
50,000 Equity shares of Rs. 10 each (31 March 2017: 50,000 equity shares of Rs. 10 each)	5.00	5.00
Total authorised equity share capital	5.00	5.00
Issued, subscribed and paid-up equity share capital:		
10,000 Equity shares of Rs. 10 each fully paid up (31 March 2017: 10,000, equity shares of Rs. 10 each)	1.00	1.00
Total issued, subscribed and paid-up equity share capital	1.00	1.00

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	Number	Rs. in lakhs
As at 31 March 2017	10,000	1.00
Issued during the year	-	-
As at 31 March 2018	10,000	1.00

b. Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, if any.

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.

c. Shares held by holding company

10,000 (31 March 2017: 10,000 equity shares of Rs.10 each held by Supreme Infrastructure BOT Private Limited, the Holding Company and its

d. Shareholding of more than 5%:

	As at 31 March 2018		As at 31 March 2017	
Name of the Shareholder	**% held**	**No. of shares**	**% held**	**No. of shares**
Supreme Infrastructure BOT Private Limited, the Holding Company and its nominee	100.00%	10,000	100.00%	10,000

e. Bonus shares/ buy back/shares for consideration other than cash issued during past five years:

The Company has neither issued any bonus shares, shares issued for consideration other than cash nor has there been any buy back of shares during

Note 11 Borrowings	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs
Secured		
Non-current portion:		
Term loan from banks (Refer note 11.1)	15,893.86	16,296.62
Term loan from financial institution (Refer note 11.1)	7,632.97	7,026.25
Total non-current borrowings	23,526.83	23,322.87
Current maturities of long-term borrowings		
Term loan from banks (Refer note 11.1)	544.78	570.16
Term loan from financial institution (Refer note 11.1)	345.27	182.50
Total current maturities of long-term borrowings	890.05	752.66
Total borrowings	24,416.87	24,075.53

Note 11.1 Details of security and terms of repayment

1)'The above term loan from banks (except ICICI Bank) is

a) A first mortgage and charge on all the Borrower's immoveable properties, both present and future, save and except the Project Assets (as defined in

b) A first charge on all the Borrower's tangible movable assets, including, movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future save and except the Project Assets.

	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs

c) a first charge over all accounts of the Borrower including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with this Agreement and Supplementary Escrow Agreement, or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and all Authorised Investments or other securities including DSRA.

d) Pledge of Equity Shares held by the Promoter aggregating 51% (fifty one percent) of the equity share capital of the Borrower held by the Promoter in the Borrower(allotted and to be allotted) till the Final Settlement Date.

2)Terms of Repayment except ICICI Bank.
These term loans carry interest in the range of Base Rate of respective lenders plus 1.25% to 4.75% and repayment of term loan taken from Banks is to be made in 135 monthly installments commencing from 31st January, 2014 and ending in 31st March, 2025.

Term loan from financial instution carry interest rate ranging from 12% to 16% and repayment to be made in 58 to 60 quarterly unequal installments commencing from 31st December 2016 to 30th September 2030

3) Term Loan from ICICI Bank is secured by:
a) A second charge on all the Borrower's immovable assets
b) A second charge on all intangible assets of the Borrower
c) A second charge on all the bank accounts of the borrower
d) Second pari passu charge on Supreme Business Park B-Wing, Powai
e) Extension of pledge of 3.3 million shares of Supreme Infrastructure India Limited
f) Extension of pledge of 30% shares of Supreme Infrastructure BOT Private Limited

2)Terms of Repayment of ICICI Bank.
The term loans carry interest rate 11.25% and repayment of term loan taken from Banks is to be made in 40 quarterly installments commencing from 31st October, 2016 and ending in 30th September, 2028.

The cash flows from the project are not sufficient to take care of debt servicing (Interest & Installment), due to which these borrowings have been classified as Non-Performing assets by the lender.

Non-current borrowings and current maturity of Non-current borrowings as at 31 March 2018 includes Rs.2,248.00/- lakhs and Rs.648.97/- lakhs respectively, for which the confirmation has not been received. Further he cash flows from the project are not sufficient to take care of debt servicing (Interest & Installment), due to which these term loan from ICICI bank has classified as Non-Performing assets. (NPAs) by the lenders during earlier years. In the absence of confirmations from the lenders, the company has provided for interest and penal charges on these borrowings based on the latest information available at the interest rate specified in the agreement.

Note 11.2 Default Summary

Principal amount

Particulars	0-30 Days	31-90 Days	90-180 Days	Above 180 Days	Total
Secured					
From Banks	32.63	65.27	2.90	11.60	112.40
Financial Institution	63.02	-	-	-	
Total	95.65	65.27	2.90	11.60	112.40

Interest amount

Particulars	0-30 Days	31-90 Days	90-180 Days	Above 180 Days	Total
Secured					
From Banks	147.55	224.08	69.99	479.99	921.60
Financial Institution	141.08	282.17	-	-	423.25
Total	288.63	506.25	69.99	479.99	1,344.86

	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs

Note 11.4 Net debt reconciliation

An analysis of net debt and the movement in net debt for the year ended 31 March 2018 is as follows:

	As at 31 March 2018 Rs. in lakhs Amount	As at 31 March 2017 Rs. in lakhs Amount
Cash and Cash equivalents	(85.17)	(259.22)
Non-current borrowings (including interest accrued and current maturities of long term borrowings)	25,761.73	25,496.30
Net debt	25,676.56	25,237.08

	Other Assets	Liabilities from financing activities	Total
	Cash and Cash equivalents	Non-current borrowings	
Net debt as at 1 April 2017	(259.22)	25,496.30	25,237.08
Cash flows	174.05	-	174.05
Interest expense	-	2,966.27	2,966.27
Interest paid	-	(3,042.19)	(3,042.19)
Prinicipal paid	-	341.35	341.35
Net debt as at 31 March 2018	(85.17)	25,761.73	25,676.56

Note 12 Non-current provisions

Provision for resurfacing expenses (Refer note 12.1)	1070.53	964.44
Total non-current provisions	1,070.53	964.44

Note 12.1 Resurfacing expenses

The Company has a contractual obligation to maintain, replace or restore infrastructure at the end of each concession period. The Company has recognized the provision in accordance with Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets i.e. at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Resurfacing expenses are required to be incurred to maintain the road in the same condition and standard as constructed from the date of the work order till it is finally handed over to the Government at the end of the concession period. The actual expense incurred at the end of the period may vary from the above. No reimbursements are expected from any sources against the above obligation.

Particulars	Rs. in lakhs
As at 31 March 2017	964.44
Addition during the year	106.09
Utilized during the year	0.00
As at 31 March 2018	1,070.53

	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs
Note 13 Trade payables		
- Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 13.1)		
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	168.94	244.29
Total trade payables	168.94	244.29

Supreme Vasai Bhiwandi Tollways Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs

Note 13.1 Details of dues to Micro and Small enterprises as defined under the Micro Small and Medium Enterprises Development Act (MSMED) Act, 2006

There are no Micro and Small Enterprises, to whom the Company owes dues and which are outstanding as at 31 March 2018. This information as required to be disclosed under the MSMED has been determined to the extent such parties have been identified on the basis of information available with the Company. There is no interest paid or payable during the year.

Note 14 Other current financial liabilities

	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs
Current maturities of long-term borrowings	890.05	752.66
Book Overdraft	-	-
Interest accrued and due on borrowings	1,344.86	1420.77
Employee related payable	8.61	14.91
Others	-	-
Total current financial liabilities	**2243.51**	**2188.34**
Other financial liabilities carried at amortised cost	2,243.51	2,[illegible]34
Other financial liabilities carried at FVPL	-	-

Note 15 Other current liabilities

	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs
Statutory dues payable	17.38	14.69
Total other current liabilities	**17.38**	**14.69**

Supreme Vasai Bhiwandi Tollways Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

	Year ended 31 March 2018 Rs. in lakhs	Year ended 31 March 2017 Rs. in lakhs
Note 16 Revenue from operations		
Income from toll collection	2,480.35	2,809.59
Other operating revenue		
Compensation from government authorities	222.94	362.80
Total revenue from operations	2,703.30	3,172.39

Note 16.1 Government of Maharashtra (GoM), vide Notification dated 26 May 2015, has exempted Light Motor Vehicles (LMV), buses of Maharashtra State Road Transport Corporation and school buses from payment of toll w.e.f 1 June 2015. In order to compensate the concessionaire, the GoM vide letter dated 19 November 2015, has allowed the compensation towards exempted LMV from 1 June 2015. Accordingly, the Company has recognised revenue towards this compensation aggregating Rs. 222.94 lakhs (31 March 2017: Rs. 362.80 lakhs).

Note 17 Other income		
Interest received on financial assets carried at amortised cost	15.19	13.33
Interest on Income Tax Refund	-	1.71
	15.19	15.04

Note 18 Employee benefits expense		
Salaries and wages	100.31	82.52
Staff welfare	5.36	5.57
Total employee benefits expense	105.67	88.09

Note 19 Finance costs		
Interest expense on:		
- borrowings	2,966.27	5,198.0
- others	0.74	0.34
Other finance cost	11.96	11.96
Total finance costs	2,978.97	5,210.30

Note 20 Depreciation and amortisation expense (Refer notes 3 and 4)		
Depreciation of property, plant and equipment	0.34	1.21
Amortisation of intangible assets	402.08	471.85
Total depreciation and amortisation expense	402.42	473.06

Note 21 Other expenses		
Site	11.90	111.55
Resurfacing	106.09	95.58
Power, fuel and water	8.90	12.15
Legal and professional	3.53	11.32
Insurance	12.91	10.56
Auditors' remuneration (Refer note 21.1)	3.29	4.99
Toll booth	14.72	26.94
Vehicle hiring and runnning	1.23	1.10
Road and other repairs & maintenance	300.23	264.80
Rent	6.43	4.45
Travelling and conveyance	1.93	1.03
Printing and stationery	2.34	0.61
Postage and communication	0.67	0.59
Miscellaneous	14.44	26.42
Total other expenses	488.61	572.08

Supreme Vasai Bhiwandi Tollways Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

Note 21.1 Auditor's Remuneration

Particulars	Year ended 31 March 2018 Rs. in lakhs	Year ended 31 March 2017 Rs. in lakhs
Audit Fees	3.00	3.00
For other Matters	0.29	-
Total	3.29	3.00
Service Tax	-	0.45
Grant Total	3.29	3.45

Note 22 Earnings per share (EPS)
Basic and diluted EPS

A. Profit computation for basic earnings per share of Rs. 10 each Net profit as per the Statement of Profit and Loss available for equity shareholders	(Rs. in lakhs)	(1,257.19)	(3,156.10)
B. Weighted average number of equity shares for EPS computation	(Nos.)	10,000.00	10,000.00
C. EPS - Basic and Diluted EPS	(Rs.)	(12,571.90)	(31,560.96)

Supreme Vasai Bhiwandi Tollways Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

Note 23 Financial instruments

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.
The following methods and assumptions were used to estimate the fair value:
(a) Fair value of cash, short term receivables, trade payables, other current financial liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments

(b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

A Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2018 were as follows:

Rs. in lakhs

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:								
Loans	7	5,009.93	-	-	-	-	5,009.93	5,009.93
Others financial assets	5	669.49	-	-	-	-	669.49	669.49
Cash and cash equivalents	8	85.17	-	-	-	-	85.17	85.17
Bank Balance other than cash and cash equivalent above	9	-					-	-
Liabilities:								
Borrowings (non-current)	11	23,526.83	-	-	-	-	23,526.83	23,526.83
Trade payables	13	168.94	-	-	-	-	168.94	168.94
Other financial liabilities	14	2,243.51	-	-	-	-	2,243.51	2,243.51

The carrying value and fair value of financial instruments by categories as at 31 March 2017 were as follows:

Rs. in lakhs

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:								
Loans	7	5,606.11	-	-	-	-	5,606.11	5,606.11
Others financial assets	5	478.60	-	-	-	-	478.60	478.60
Cash and cash equivalents	8	27.14	-	-	-	-	27.14	27.14
Bank Balance other than cash and cash equivalent above	9	232.08					232.08	232.08
Liabilities:								
Borrowings (non-current)	11	23,322.87	-	-	-	-	23,322.87	23,322.87
Trade payables	13	244.29	-	-	-	-	244.29	244.29
Other financial liabilities	14	2,188.34	-	-	-	-	2,188.34	2,188.34

B Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

17 Related party disclosures :

(a) Names of related parties and description of relationship

(i) Ultimate Holding Company
Supreme Infrastructure India Limited

(ii) Holding Company
Supreme Infrastructure BOT Private Limited

(iii) Fellow Subsidiries
Supreme Infraprojects Pvt Ltd
Supreme Suyog Funnicular Ropeways Private Limited
Kotkapura Mukstar Tollways Private Limited
Kopargaon Ahmednagar Phase-1 Tollways Private Limited
Mohol Kurul Kamati Mandrup Tollways Private Limited
Supreme Manor Wada Bhiwandi Tollways Private Limited

(iv) Entrerprise over KMP exercise significant influence
Supreme Infrastructure Bot Holdings Private Limited

(v) Key Management Personnel:
Mr. Vikram Sharma
Mr. Asim Brijesh Tewari
Mr. Pankaj Prakash Sharma
Mr. Sanjay Banka

(b) The transactions with related parties for the year are as follows:

Particulars	31 March 2018	31 March 2017
Services Received		
Supreme Infrastructure India Limited	266.22	551.80
Payment to Trade Payable		
Supreme Infrastructure India Limited	77.20	339.41
Advance given to		
Supreme Infrastructure BOT Private Limited	-	12.16
Receipt of Loan Given		
Supreme Infrastructure BOT Private Limited	596.18	-

(c) Balances at the year end:

Particulars	31 March 2018	31 March 2017
Corporate Guarantee for Loan taken by Company		
Supreme Infrastructure India Limited	15,400	15,400
0% Compulsorily Convertible Debentures		
Supreme Infrastructure BOT Private Limited	6,000	6,000
Trade payable		
Supreme Infrastructure India Limited	135	212
Short Term Loans and Advances		
Supreme Infrastructure BOT Pvt. Limited	5,010	5,606

Note 25 Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk majorily includes interest rate risk. Major financial instruments affected by market risk includes loans and borrowings bearing floating interest rate.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Year ended 31 March 2018 Rs. in lakhs	Year ended 31 March 2017 Rs. in lakhs
Increase in interest rate by	1%	1%
Effect on profit before tax	(244.17)	(240.76)
Decrease in interest rate by	1%	1%
Effect on profit before tax	244.17	240.76

II Credit risk

The company engaged in infrastructure development and construction business under BOT and currently derive most of the turnover from BOT contracts with PWD. Payments by are typically not secured by any form of credit support such as letters of credit, performance guarantees or escrow arrangements. Credit risk is the risk that counterparty will not meet its obligations under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its financing activities.

Financial assets that are potentially subject to concentrations of credit risk and failures by counter-parties to discharge their obligations in full or in a timely manner consist principally of cash, cash equivalents and other receivables. Credit risk on cash balances with bank are limited because the counterparties are entities with acceptable credit ratings. The exposure to credit risk for other receivable is low as its mainly consist of Government authorities i.e. PWD and amount is received on timely basis within the credit period which is about 90 to 120 days.

Ageing analysis of the age of receivable amounts from government authorities that are past due as at the end of reporting year but not impaired:

Particulars	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs
Less than 120 days	74.30	53.52
Over 120 days	511.45	309.28
Total	585.74	362.80

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities.

The average credit period taken to settle trade payables is about 90 to 120 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value.

III Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt from lenders at an optimised cost.

Supreme Vasai Bhiwandi Tollways Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

The table below provides details regarding the contractual maturities of significant financial liabilities:

Rs. in lakhs

Particulars	Less than 1 year	1 - 5 years	More than 5 years	Total
As at 31 March 2018				
Borrowings	890.05	9,146.05	14,380.78	24,416.87
Trade payables	168.94	-	-	168.94
Other financial liabilities	1,353.46	-	-	1,353.46
Total	2,412.45	9,146.05	14,380.78	25,939.27
Particulars	**Less than 1 year**	**1 - 5 years**	**More than 5 years**	**Total**
As at 31 March 2017				
Borrowings	752.66	2,245.08	21,077.80	24,075.53
Trade payables	244.29	-	-	244.29
Other financial liabilities	1,435.68	-	-	1,435.68
Total	2,432.63	2,245.08	21,077.80	25,755.50

At present, the Company does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operati activity is expected to generate sufficient cash inflows.

Note 26 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total equity plus total debt.

	As at 31 March 2018 Rs. in lakhs	As at 31 March 2017 Rs. in lakhs
Total debt	24,416.87	24,075.53
Total equity	(525.75)	731.44
Total debt to total equity plus total debt (Gearing ratio %)	102%	97%

In the long run, the Company's strategy is to keep optimum gearing ratio i.e. between 60% to 98%.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. Subsequent to assignment of borrowings as stated in note 10, there have been no communications from the lenders in this regard which might have a negative impact on the gearing ratio.
No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

Supreme Vasai Bhiwandi Tollways Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

Note 27 Income tax

Current tax
No provision for current tax has been made as there is no taxable income/book profit for the year under the provisions of the Income-tax Act, 1961.

Deferred tax
The Company has not recognised deferred tax assets on timing differences, unabsorbed depreciation and carry forward of tax losses as at 31 March 2018 in the absence of reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

This is a summary of significant accounting policies and other explanatory information referred to in our report of

For Kedia & Agrawal
Chartered Accountants
Firm Registration No. 140989W

KEDIA & AGRAWAL CHARTERED ACCOUNTANTS Mumbai F.R.N. 140989W

Sunil Kedia
Partner
Membership No.- 427613

Place: Mumbai
Date: 30 May 2018

For and on behalf of the Board of Directors

Vikram Sharma
Director
DIN: 01249904

Pankaj Sharma
Director
DIN: 06521467

Place: Mumbai
Date: 30 May 2018