



MADHUCON

TN (DK) EXPRESSWAYS LIMITED

**12TH
ANNUAL REPORT
2017 - 2018**



MADHUCON

TN (DK) EXPRESSWAYS LIMITED

BOARD OF DIRECTORS

- | | |
|------------------------|------------|
| 1. Srinivasa Rao Kamma | - Director |
| 2. Madhu Malampati | - Director |
| 3. Rama Rao Nama | - Director |

AUDITORS:

Ghoshal & Ghoshal
Chartered Accountants
Flat No.204, Anand Plaza,
Opp. R.R District Collectorate
Lakdikapul, Hyderabad-500 004

SECRETARIAL AUDITOR(S)

Shri U Suryanarayana
Practicing Company Secretary
Plot No.836A, Vivekananda Colony
Kukatpally Hyderabad-50007

REGISTERED OFFICE:

"Madhucon House",
Plot No.1129/A, Road No.36,
Hitech City Road, Jubilee Hills,
Hyderabad-500 033

CONSORTIUM BANKERS:

State Bank of India
Bank of Maharashtra
Vijaya Bank
Andhra Bank



TN (DK) EXPRESSWAYS LIMITED
NOTICE OF 12TH ANNUAL GENERAL MEETING

To
The Members of
TN (DK) Expressways Limited

NOTICE is hereby given that the 12th Annual General Meeting of the Members of **TN (DK) Expressways Limited (CIN: U45200TG2006PLC048941)** will be held on **Monday, 10th September 2018 at 02.30 PM** at Registered office of the Company Situated at Madhucon House, Plot No.1129/A, Road No. 36, Hitech City Road, Jubilee Hills, Hyderabad-500 033 to transact the following business:

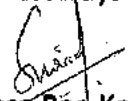
ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2018, together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Sri. M Madhu Malampati (DIN: 00368625), who retires by rotation and being eligible, offers him for reappointment.

Place: Hyderabad
Date: 26/05/2018

By Order of the Board
TN (DK) Expressways Limited




Srinivasa Rao Kamma
Director
DIN: 00022855

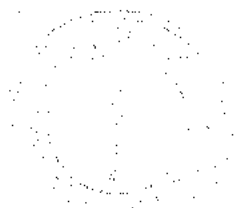
NOTES

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. Proxies in order to be effective must be received at the Registered Office of the Company at any time but not less than 48 hours before the commencement of the meeting. A proxy form is enclosed.
3. Corporate Members need to send their Authorized Representatives along with a copy of Board resolution authorizing them to participate in the meeting. And Authorized representative need not be a member of the company.
4. Members seeking any information with regards to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready for the Meeting.

EXPLANATORY STATEMENT

(Pursuant to section 102(1) of the Companies Act, 2013)

#None of the Items in notice require any Explanatory Statement under this section 102(1)#





TN (DK) EXPRESSWAYS LIMITED
DIRECTORS' REPORT

To
The Members of
TN (DK) Expressways Limited

Your Directors have pleasure in presenting their 12TH Annual Report together with Audited Financial Statements for the financial year ended 31st March, 2018.

Financial highlights

Particulars	2017-2018	2016-2017
	Rs.	Rs.
Operating Income	503,387,781	418,738,631
Other Income	38,385,215	3,360,565
Total Income	541,772,996	422,099,196
Operating Expenses	106,031,269	108,025,781
Employee benefit Expenses	13,445,050	8,452,898
Finance Costs	215,967,197	237,750,514
Depreciation and Amortisation Expenses	159,323,730	179,882,686
General and Administration Expenses	8,196,079	6,060,642
Total Expenses	502,963,325	540,172,521
Profit / (Loss) from Continuing Operations	38,809,671	(118,073,325)
Add: Other Comprehensive income	(483,009)	14,611
Total Comprehensive Income for the Period	38,326,662	(118,058,714)

Dividend

During the year 2017-2018, Company has not recommended dividend any dividend.

Transfer to reserves

The Company has not transferred any amount to reserves except the credit balance in Profit & Loss account transferred to Reserves & Surplus of Balance Sheet.

Deposits

During the year under review, your Company has not accepted nor renewed any deposits covered under Chapter V of the Act.

Extract of annual return

The extracts of Annual Return pursuant to the provisions of Section 92(3) of the Companies Act, 2013 ("the Act") read with Rule 12(1) of the Companies (Management and administration) Rules, 2014, in Form MGT-9 is as per Annexure-I and forms part of this report.



Change in the nature of business

There are no such changes in the Nature of Business during the year under review.

Material changes and commitments, if any affecting the financial position, occurred between end of the financial year and the date of the report: None

Significant and material orders passed by the courts and tribunals

The Company has not received any significant/material orders from the statutory regulatory bodies/courts/tribunals which affects the operations/status of the Company.

Changes in directors and key managerial personnel

During the year under review, there are no changes in the constitution of Board of Directors and/or Key Managerial Personnel.

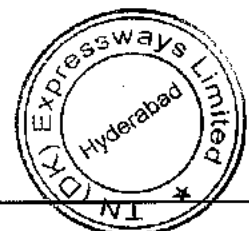
Director(s) retirement by rotation

As per the provisions of Companies Act, 2013 and Articles of Association of Company, Sri. M Madhu Malampati (DIN: 00368625), retires by rotation and being eligible, offers himself for appointment.

Directors' responsibility statement

Pursuant to the requirement under section 134(3) (c) of the Companies Act, 2013, it is hereby Confirmed:

- a. That in the preparation of annual accounts for the financial year ended 31st March, 2018; the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- b. That the Directors have selected Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company, at the end of the financial year and of the profit or loss of the Company for that period.
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- d. That the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- e. That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



Formal annual evaluation of directors

The performance of Directors is evaluated by the Board (excluding the Director being evaluated) on the following criteria.

Evaluation Criteria:

- Contribution to development of strategy and risk management.
- Guidance on corporate strategy, risk policy, corporate governance practices.
- Independent and unbiased decisions/opinions etc.

Compliance with secretarial standards on board meetings and general meetings:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Board Meetings and General Meetings.

Board meetings

The Board met 8 (Eight) times during the financial year 2017-2018 on May 29, 2017; August 10, 2017; September 12, 2017; September 22, 2017; December 30, 2017; January 27, 2018; February 01, 2018 and March 28, 2018. The Maximum interval between any two meetings did not exceed 120 days.

Statutory auditors

M/s. Ghoshal & Ghoshal, Chartered Accountants, Hyderabad (Firm Regn. No. 304013E), were appointed as statutory Auditors of your Company at the Annual General Meeting of the Company held on 22nd September, 2017 for a term of 5 (Five) consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting. In accordance with the Companies Amendment Act, 2017, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

State of company's affairs and board's response to observations in audit report

TN (DK) Expressways Limited was incorporated as a Special Purpose Vehicle for design, construction, development, finance, operation and maintenance of KM 305.600 (End of Karur Bye Pass) to KM 373.725 (Dindigul) and Improvement, operation and maintenance of KM 292.600 (Start of Karur Bypass) to KM 305.600 (End of Karur Bypass) on NH -7 in the state of Tamilnadu with Concession Period of 20 years awarded by NHAI.

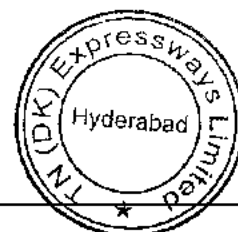
Secretarial audit report

As required under Section 204 of the Companies Act, 2013 and rules made thereunder, the board has appointed U. Suryanarayana Practising Company Secretary (FCS-336, CP-2768), to carry on the Secretarial Audit for the financial year 2017-18. The Secretarial Audit report in form MR-3 is attached to this report as Annexure III and forms part of this report.

Composition of audit committee:

The Audit Committee consisting of Board members as follows:

Sri. Madhu Malampati, Director as Chairman
Sri. K.Srinivasa Rao, Director as Member,
Sri. Rama Rao Nama, Director as Member



The Board has accepted all the recommendations of the Audit Committee during the year under review.

Corporate social responsibility

The Company does not fall under the criteria specified in Section 135 of the Act and hence no policy was developed by the company on Corporate Social Responsibility.

Related party transactions

All related party transactions during the financial year 2017-18 were in the ordinary course of business at arms-length price and the Particulars of contracts or arrangements with related parties in form No. AOC-2 as required pursuant to provisions of Section 134(3)(h) and Rule 8 of Companies (Accounts) Rules, 2014 are as per Annexure - II and forms part of this report.

Particulars of loans, investments, guarantees and securities

Loans, Guarantees and Investments of the Company were in compliances with Sec 180 and Sec 186 of the Companies Act 2013.

Information as per section 134 (3) (m) the companies act, 2013 read with rule 8 of companies (accounts) rules, 2014

(a) Conservation of Energy and Technology Absorption: The Particulars as required under the provisions of section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 have not been furnished considering the nature of activities undertaken by the Company during the year under review.

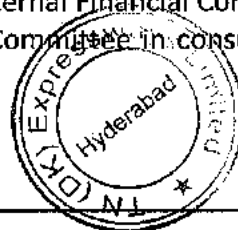
However, the Company is taking steps with respect to conservation of Energy and Technology absorption and making continuous efforts to keep the employees informed of all emerging technologies and developments which are relevant to Business of the Company.

(b) Foreign Exchange Earnings and Outgo: NIL

Adequacy of internal financial controls

The Company has structured and implemented a process Driven framework for Internal Financial Controls ("IFC") in terms of the explanation to Section 134(5)(e) of the Companies Act, 2013. The Board of Directors of the Company is of the opinion that the Company has sound IFC for the year 2017-2018. The Company is continuously monitoring and identified the gaps if any, and implements improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

Further, Your Company has adequate system of Internal Financial Control developed by our in-house Internal Audit team consisting of qualified and experienced accounting, costing and technical professionals. The Internal Audit Team suggests various means of cost reduction and cost control measures in all resources used in the Company. The Internal Financial Control Systems and the Reports of Internal Audit will be reviewed by the Audit Committee in consultation with



the Internal Auditors and Statutory Auditors and experts in the field thereafter by Board of Directors.

Vigil mechanism

The company has established Vigil Mechanism for Directors / Employees to report their genuine concerns or grievances. The Audit Committee of the Company oversees the vigil Mechanism through the Committee. It provides for adequate safeguards against victimization of directors/ employees who avail of the mechanism. It also provides for direct access to the Chairman of the Audit Committee. In case of repeated frivolous complaints, the suitable action will be initiated by the Chairman of the Audit Committee.

Risk management policy

The Company has formulated a policy for Risk management and Periodic assessments to identify the risk areas are carried out by the management and necessary actions were taken to eliminate risk.

Disclosures under sexual harassment of women at workplace (prevention, prohibition & redressal) act, 2013.

Your Company has always believed in providing a safe and harassment free workplace for every individual working in company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Your Directors further stated that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgements

Your Directors place on record their appreciation for the co-operation and assistance received from the Government Authorities, NHAI, Bankers and Clients during the period under review. Your Directors also extend their appreciation for the valuable work rendered by the employees for the development of the Company at various levels.



Place: Hyderabad
Date: 26/05/2018

For and on behalf of the Board of Directors
TN (DK) Expressways Limited


Srinivasa Rao Kamma
Director
DIN: 00022855


Madhu Malampati
Director
DIN: 00368625

ANNEXURE I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014)

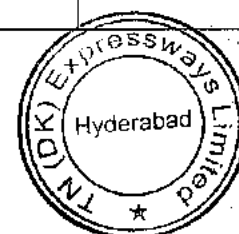
I. Registration & other details:

1.	CIN	U45200TG2006PLC048941
2.	Registration Date	31.01.2006
3.	Name of the Company	TN (DK) Expressways Limited
4.	Category/Sub category of the Company	Company Limited by Shares
5.	Address of the Registered office & contact details	Madhucon House, Plot No.1129/A, Road No.36, Hitech City Road, Jubilee Hills, Hyderabad-500 033
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31- 32, Gachibowli, Financial District, Nanakramguda Hyderabad, Telangana-500 032

II. Principal business activities of the company:

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

S. No.	Name and Description of main products / services	NIC/NPCS Code of the Product/Service	% to total turnover of the company
1	Design, construction, development, finance, operation and maintenance of Km. 305.600 (End of Karur Bypass) to Km. 373.725 (Dindigul); and for improvement, operation and maintenance of Km. 292.600 (Start of Karur Bypass) to Km. 305.600 (End of Karur Bypass) on NH-7 in the State of Tamil Nadu under North-South corridor (NHDP Phase II) on Build, Operate and Transfer (BOT) basis on the terms.	995-421	100%



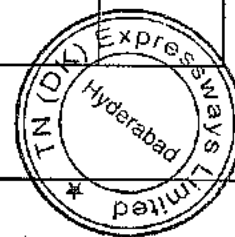
III. Particulars of holding, subsidiary and associate companies

S.No.	Name of the Company and CIN	Holding/Subsidiary/Associate	% of shares held
1.	Madhucon Projects Limited	Ultimate Holding Company	0.13
2.	Madhucon Toll Highways Limited	Subsidiary of Holding Company	48.86
3.	Madhucon Infra Limited	Holding Company	50.97

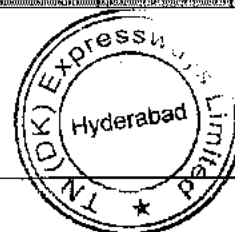
IV. Share holding pattern (Equity share capital breakup as percentage of total equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	15000	15000	0.02	0	15000	15000	0.02	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	74632000	13000	74645000	99.98	74632000	13000	74645000	99.98	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	74632000	28000	74660000	100	74632000	28000	74660000	100	0
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0



i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	74632000	28000	74660000	100	74632000	28000	74660000	100	0



B) Shareholding of promoters-

SN 0.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change In shareh olding during the year
		No. of Shares	% of total Shares of the compan y	% of Shares Pledged / encumber ed to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged /encumbe red to total shares	
1	Nama Nageswar Rao	8888	0.02	0	8888	0.02	0	0
2	Nama Seethaiah	2888		0	2888		0	0
3	Nama Krishnaiah	2888		0	2888		0	0
4	Nama Rama Rao	188		0	2888		0	0
5	M. Madhu	88		0	88		0	0
6	Kamma Srinivasa Rao	60		0	60		0	0
7	Madhucon Infra Limited	3805500 0	50.97	50.97	38055000	50.97	50.97	0
8	Madhucon Toll Highways Ltd.	3647700 0	48.86	30.03	36477000	48.86	30.03	0
9	Madhucon Projects Ltd.	100000	0.13	0	100000	0.13	0	0
10	SREI Infrastructure Finance Limited	13,000	0.02	0	13,000	0.02	0	0

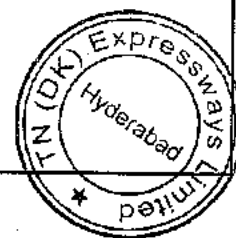
C) Change in Promoters' Shareholding (please specify, if there is no change)

There is no change in Promoters shareholding during the year 2017-18

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

There are no Top ten shareholders who are Other than Directors, Promoters and Holders of GDRs and ADRs.



E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of Directors and each Key Managerial Personnel	Shareholding		Cumulative Shareholding during the year	
		No of Shares	%	No of Shares	%
1	At the beginning of the year 01.04.2017	336	0.0005	336	0.0005
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
3	At the end of the year 31.03.2018	336	0.0005	336	0.0005

V) Indebtedness

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

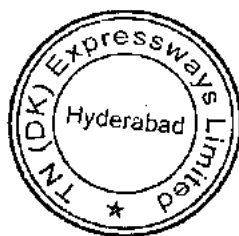
The Details were stated in Notes to the Audited Financial Statements for the year 2017-18.

VI. Remuneration of directors and key managerial personnel: NIL


VII. Penalties / punishment/ compounding of offences

There are no Penalties, Punishments and Compounding Levied/Prosecuted on any of the Directors, other officers and on Company during the year 2017-18. On these grounds, this heading is not applicable.

**For and on behalf of the Board of Directors
TN (DK) Expressways Limited**



Place: Hyderabad
Date: 26/05/2018


Srinivasa Rao Kamma
Director
DIN: 00022855


Madhu Malampati
Director
DIN: 00368625

ANNEXURE-II

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis: None

(a) Name(s) of the related party and nature of relationship	Not applicable
(b) Nature of Contract(s) or arrangement(s)	
(c) Duration of the Contracts/arrangements/transactions	
(d) Salient terms of the Contracts/arrangements/transactions including the value, if any	
(e) Justification for entering into such contracts/arrangements/transactions	
(f) Date(s) of approval by the board	
(g) Amount paid as advances, if any	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	



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

(a) Name(s) of the related party and nature of relationship	As stated in Notes to Audited Financial Statements.
(b) Nature of Contract(s) or arrangement(s)	
(c) Duration of the Contracts/arrangements/transactions	
(d) Salient terms of the Contracts/arrangements/transactions including the value, if any	
(e) Date(s) of approval by the board	
(f) Amount paid as advances, if any	

Place: Hyderabad
Date: 26/05/2018



**For and on behalf of the Board of Directors
TN (DK) Expressways Limited**

 Srinivasa Rao Kamma Director DIN: 00022855	 Madhu Malampati Director DIN: 00368625
--	--

**FORM NO MR3
SECRETARIAL AUDIT REPORT**

Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

To,
The Members of,
TN (DK) EXPRESSWAYS LIMITED,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions of the Acts, Rules and Regulations as mentioned below and the adherence to good corporate practices by M/s. TN(DK) EXPRESSWAYS LIMITED (U45200TG2006PLC048941) (herein after called the Company) subsidiary of M/s. Madhucon Infra Limited (U45200TG2006PLC049235). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification on the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and other authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has during the audit period covering the financial year ended on 31st March, 2018 **NOT** complied with **some of the** statutory provisions listed hereunder. The company has **NO** proper Composition of Board and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended 31st March, 2018 according to the provisions of:-

- i. The Companies Act, 2013 and the amendments thereof and the rules made thereunder as applicable.
- ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.
- iii. The Depositories Act, 1996 and the Regulations and Bye Laws framed thereunder.
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment. (Not Applicable to this company as there are no Foreign Direct Investment and Overseas Direct Investments)
- v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- b. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agent) Regulations 1993 regarding the Companies Act and dealing with client;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009
- vi. I have also examined compliance with the applicable clauses of the following:
- Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Board and General Meetings of the Company through Revised SS1 and SS2

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

The Board constituted with the following Directors :

1. Srinivasa Rao Kamma , Director
2. Madhu Mallampati, Director
3. Rama Rao Nama, Director

- The Board of Directors have not appointed neither the Managing Director nor Whole Time Director or CEO to manage the day to day affairs of the Company.
- Section 203 of the Companies Act, 2013 has also not been complied as there are no CFO and Company Secretary.
- The Company has not constituted the committees as required under provisions of the Companies Act, 2013 and rules made thereunder.
 1. Audit Committee
 2. Shareholders Relations Committee
 3. Nomination & Remuneration Committee

I, further report that:

- (a) The Board of Directors of the Company is duly constituted with only three Directors, No Independent Director/s. There are no changes in the composition of the Board of Directors during the year under review.
- (b) Adequate Notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance. There is adequate system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting. Majority decisions are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

The participation of Directors in a meeting of the Board may be through Video Conferencing or other audio visual means under Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014 as permissible under section 173(2) of the Companies Act, 2013. However, the Company has not implemented the procedure as required.

- (c) It is also noted that the Company has an Internal Audit System to constantly monitor the process for efficient compliances.



- (d) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc mentioned above subject to the following observations:

Mr. Madhu Mallampati, Director (DIN No. 00368625) filed a petition for Compounding on the violation of Section 165 of the Companies Act, 2013 as number of Directorship holding at that time (in December, 2015) was more than 10 in Public Companies and subsequently resigned in some companies to comply within the limit. Subsequently the matter was referred by the Registrar of Companies (ROC), Hyderabad under Economics Offences to the Court of Special Judge for Economics Offences -Cum VIII AMSJ, Nampally, Hyderabad vide CC no. 251 of 2017/944. The Hon'ble Judge on the affidavit submitted by Mr. Madhu Mallampati to the Court that he has since been relieved from the Directorship of the additional companies over and above the limit of 10 Public Limited companies and agreed for remittance of the compounding fees as penalty for the period of Delay. The Court directed the Mr. Madhu Mallampati to approach the Registrar of Companies, Hyderabad and get determined the penalty amount and remit fine as applicable for the period of default of 275 days at the rate of Rs. 5000/- per day. The Registrar of Companies, Hyderabad referred the matter to The Regional Director who in-turn for the want of jurisdiction referred the case to the National Company Law Tribunal for determination of the compounding fine.

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished and representations made to me by the Company, its officers and agents, I report that Company has complied with the provisions of the Act, the Rules made thereunder and the Memorandum and Articles of Association of the Company with regard to:

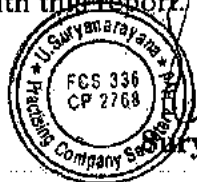
- a. maintenance of various statutory registers and documents and making necessary entries therein;
- b. closure of Register of Members;
- c. forms, returns, documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, National Company Law Tribunal (NCLT) or other authorities;
- d. service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e. notice of Board meetings of Directors;
- f. meetings of Directors and passing of circular resolutions;
- g. notice and convening of Annual General Meeting held on 22nd September, 2017.
- h. minutes of the proceedings of the Board Meetings and General Meetings;
- i. approvals of the Board of Directors, Members and government authorities, wherever required;
- j. appointment and remuneration of Statutory Auditors
- k. there are no transfer and transmission of the Company's shares during the period under review;
- l. borrowings and registration of charges;
- m. report of the Board of Directors;
- n. investment of the Company's funds including intercorporate loans and investments;
- o. generally, all other applicable provisions of the Acts and the Rules thereunder.



I further report that during the audit period there were no embezzlement / frauds and no specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

I have relied on the information supplied and representation made by the Company and its officers, agents, for systems and mechanism followed by the Company for compliance under the applicable Acts, Laws and Regulations to the Company and my Annexed even letter dated is to be read alongwith with this report.

Date: 26-05-2018
Place: Hyderabad



U. Suryanarayana
Suryanarayana Upadhyayula
(FCS 336; CP 2768)

U. SURYANARAYANA
M.B.A., L.L.B., F.C.S.
Company Secretary
CP-2768 (FCS-336)

SURYANARAYANA UPADHYAYULA
Practicing Company Secretary

Plot No.836A,
Vivekananda Nagar Colony,
Kukatpally, Hyderabad-500 072
Tel : (040) 23067959
Mobile: 9848688151
E-mail: usn1939@yahoo.co.in

To,

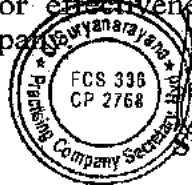
The Members,

TN (DK) EXPRESSWAYS LIMITED,
MADHUCON HOUSE, PLOT NO.1129/A, ROAD NO.36 HITECH
CITY ROAD, JUBILEE HILLS HYDERABAD TG 500033 IN.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 26-05-2018
Place: Hyderabad



U. Suryanarayana
Suryanarayana Upadhyayula
(FCS 336; CP 2768)

U. SURYANARAYANA
M.B.A., L.L.B., F.C.S.
Company Secretary
CP-2768 (FCS-336)



INDEPENDENT AUDITOR'S REPORT

To,

The Members of TN (DK) Expressways Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone financial statements of **TN(DK) Expressways Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the statement of Profit and Loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information, (herein after referred to as "standalone Ind AS financial statements")

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit 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



HYDERABAD : Flat No.204, Anand Plaza, Opp. R.R. District Collectorate, Lakdikapul, Hyderabad - 500 004. Tel : +91-40-23240128. Mob : +91-9440111111
VIJAYAWADA : 27-23-32, Usha Estates, Gopalareddy Road, Governor pet, Vijayawada - 520 002. Tel : +91-900-2677846, Mob : +91 9440111111

E-mail : sargupta@rediffmail.com

HEAD OFFICE : KOLKATA - BRANCHES : BANGALORE, DHANBAD, RANCHI, GOOCHBEHAR

perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS :

- a) In the case of the Balance Sheet of the statement of affairs of the company as at March 31, 2018.
- b) In the case of Profit and Loss Account, of the profit/loss for the year ended as on March 31, 2018.
- c) In the case of the Cash Flow Statement, of the cash flows year ended as on March 31, 2018.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books,

(c) The Balance Sheet, the Statement of Profit and Loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the "Accounting-Standards" specified under Section 133 of the Act read with relevant rule issued thereunder;

(e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of on 164 (2) of the Act;



(f) According to the information and explanation given to us, the company is in the process of establishing its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued.

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations other than the claims with NHA1 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.

FOR GHOSHAL & GHOSAL

Chartered Accountants

Firm Reg. No. 304013E



Partner

M. No. 023640

Hyderabad

Annexure - A to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of TN(DK) Expressways Limited ("The Company") on the standalone Ind AS financial statements for the year ended 31 March 2018, we report that:

- 1) a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- b. The fixed assets have been physically verified by the management at regular intervals and no material discrepancies were noticed on such verification.
- c. The title deeds of the immovable properties are held in the name of the Company.
- 2) The Company is not carrying Inventory in hand at any point of time. Hence, clause 3 (ii) of the Companies (Auditor's Report) Order 2016 relating to inventory is not applicable.
- 3) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') by the respective entities.
- 4) According to the information and explanations given to us, provisions of sec 185 and 186 of the Companies act, 2013 are complied with in the respect of loans, investments, guarantees and securities given by the company, if any.
- 5) The Company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the Company.
- 6) Maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 and accordingly clause vi of paragraph 3 of the Order is not applicable to the Company.
- 7) (a) According to the information and explanations given to us and on the basis of our examination of our books of accounts, the company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales- tax, service tax, and any other statutory dues to the appropriate authorities **though there has been delay in few cases.**

As at 31st March, 2018, following are the undisputed statutory dues payable for period of more than 6 months from the date they became payable:

Name of the Statute	Nature	Amount (Rs.)	Period to which amount relates	Due Date
Output GST @ 18%	GST	21,330	July 2017 to September 2017	20th of the subsequent month
Welfare cess payable (2014-15)	BOCW cess	129,704	April 2014 to March 2015	30-Apr-14
Welfare cess payable (2015-16)	BOCW cess	156,657	April 2015 to March 2016	30-Apr-15
Welfare cess payable (2016-17)	BOCW cess	405,068	April 2016 to March 2017	30-Apr-16



Work contract Tax payable	Work Cess	1,473,969	April 2016 to March 2017	30-Apr-17
---------------------------	-----------	-----------	-----------------------------	-----------

(b) According to the information and explanations given to us, there are no dues which have not been deposited on account of any dispute of income tax or sales or service tax or duty of customs or duty of excise or value added tax.

- 8) The Company has taken term loans from various banks and financial institutions. According to the information given to us, the Company has defaulted in payment of dues of interest amounting to Rs. 1,66,65,515.00 ranging from 0 to 30 days. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year.
- 9) According to the information and explanation given to us the money raised by the way of term loans were applied for the purpose for which those are raised. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- 10) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid or provided any managerial remuneration during the year under audit. Hence, this clause is not applicable.
- 12) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **TN(DK) Expressways Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:



(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



TN(DK) EXPRESSWAYS LIMITED

Notes to financial statements for the Year ended 31st March 2018

1. Corporate Information:

TN(DK) Expressways Limited (TNDK), a Public Limited Company, was incorporated under the Companies Act, 1956, on 31st Day of January, 2006 as a Special Purpose Vehicle for Design, Construction, Development, Finance, Operation and Maintenance of KM 305.600 (End of Karpur Bypass)-KM 373.275(Start of Proposed Flyover at Dindigul Bypass) covering 68.125 Kms, and Improvement, Operation and Maintenance of KM 292.600 (Start of Karur Bypass)-KM 305.600 (End of Karur Bypass) covering 9.600 Kms on NH-7 in state of Tamilnadu on Build, Operate and Transfer (BOT) basis. This contract was awarded by NHAI. The concession period comprises of 20 years which includes construction period of 30 months. At the end of concession period, the entire facility will be transferred to NHAI. However the concession period is ultimately stood at 15 years

2. Significant Accounting Policies :

2.01 Basis of preparation

(a) Compliance with IndAS :

The Company's financial statements for the year ended 31st March 2018, comply in all material respects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements upto to the year ended 31 March 2016 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 as amended and other relevant provisions of the Act.

(b) Basis of measurement :

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

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	As per actuarial valuation
Assets held for sale	No asset held for sale

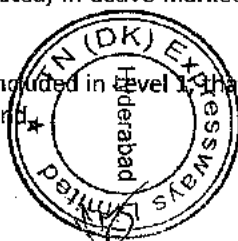
(c) Use of estimates and judgements :

The preparation of these financial statements in conformity with IndAS requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize. Estimates include the useful lives of property plant and equipment and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, provisions for resurfacing obligations, fair value measurement etc.

(d) Measurement of fair values :

A number of accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date
- Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and



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

2.02 Presentation of financial statements :

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the financial statements are presented in Indian Rupees rounded off to two decimal places in line with the requirements of Schedule III.

2.03 Revenue recognition :

- Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of duties and taxes and net of discounts, rebates and other similar allowances.
- Toll collections from the users of the infrastructure facility constructed by the Company under the Service Concession Arrangement is accounted for based on actual collection. Revenue from sale of smart cards is accounted on cash basis.
- Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.
- Fair value gains on current investments carried at fair value are included in other income.
- Other items of income are recognised as and when the right to receive arises. The proportionate part of capital grant has been taken as other income.

2.04 Cash and bank balances :

Cash and bank balances with the bank.

2.05 Cash flow statement :

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of:

- transactions of a non-cash nature;
- any deferrals or accruals of past or future operating cash receipts or payments and,
- all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

2.06 Current & Non-Current classification:

Current Asset :

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

- It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- It is held primarily for the purpose of being traded.
- It is expected to be realized within twelve months after the reporting date, or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.



All other assets shall be classified as non-current. However the company is confident of realising the certain dues and advances within a period of twelve months.

Current Liabilities:

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

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the reporting date : or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not effect its classification. All other liabilities shall be classified as non-current.

2.07 Property, plant and equipment (PPE) :

Property, plant and equipment are stated at historical cost less accumulated depreciation and cumulative impairment. Historical cost includes expenditure that is directly attributable to acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Cost includes expenditure that is directly attributable and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation on assets has been provided on Straight line basis at the useful lives specified in the Schedule II of the Companies Act, 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions.

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

For transition to IndAS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 01, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

2.08 Intangible Assets :

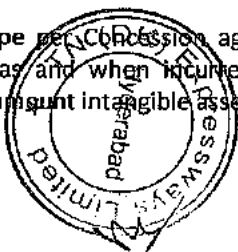
a) Rights under Service Concession Arrangements :

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

b) Toll Projects (Right to charge users) :

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue from the users of the public service (road) during the concession period in respect of Build-Operate-Transfer ("BOT") project undertaken by the Company. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs plus the present value of obligation towards negative grants and additional concession fee payable to National Highways Authority of India ("NHAI")/State authorities, if any. Till the completion of the project, the same is recognised under intangible assets under development.

The cost incurred for work beyond the original scope per Concession agreement (normally referred as "Change of Scope") is capitalized as intangible asset under development as and when incurred. Reimbursement in respect of such amounts from NHAI/State authorities are reduced from the carrying amount of intangible assets to the extent of actual receipts.



Extension of concession period by the authority in compensation of claims made are capitalised as part of Toll Collection Rights at the time of admission of the claim or when there is a contractual right to extension at the estimated amount of claims admitted or computed based on average collections whichever is more evident.

Amortisation of intangible assets :

Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortisation method prescribed under Schedule II to the Companies Act, 2013. Under the revenue based method, amortisation is provided based on proportion of actual revenue earned till the end of the year to the total projected revenue from the intangible asset expected to be earned over the concession period. Total projected revenue is reviewed at the end of each financial year and is adjusted to reflect the changes in earlier estimate vis-a-vis the actual revenue earned till the end of the year so that the whole of the cost of the intangible asset is amortised over the concession period.

2.09 Borrowing costs :

Borrowing costs include interest calculated using the effective interest method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for acquisition, construction or production of qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.10 Earnings per share :

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

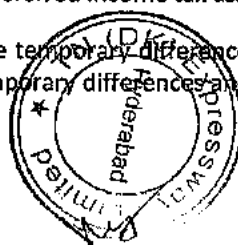
2.11 Income taxes :

The income tax expense or credit for the year is the tax payable on current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset when it is highly probable that future economic benefit associated with it will flow to the entity.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However deferred income tax is not accounted if it arises from the initial recognition of an asset or liability that at the time of the transaction affects neither the accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset/liability is realised or settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.



Deferred tax assets and deferred tax liabilities are offset, when the entity has a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances are related to the same authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity wherein the related tax is also recognised in other comprehensive income or directly in equity.

2.12 Impairment of assets :

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

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

The recoverable amount is the higher of the fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimated future cash flows have not been adjusted.

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

2.13 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 will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that the reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed in notes in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or a present obligation arising from past events, when no reliable estimate is possible. Contingent assets are disclosed in the financial statements where an inflow of economic benefits are probable.

2.14 Financial Instruments :

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

A) Financial Assets :

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets



Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost (unless the same are designated as fair value through profit or loss (FVTPL)):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of instrument give rise to specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (unless the same are designated as fair value through profit or loss)

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

Debt instruments at FVTPL is a residual category for debt instruments and all changes are recognised in profit or loss.

Investments in equity instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in OCI for equity instruments which are not held for trading.

Interest income, dividend income and exchange difference (on debt instrument) on FVTOCI debt instruments is recognised in profit or loss and other changes in fair value are recognised in OCI and accumulated in other equity. On disposal of debt instruments FVTOCI the cumulative gain or loss previously accumulated in other equity is reclassified to profit & loss. However in case of equity instruments at FVTOCI cumulative gain or loss is not reclassified to profit & loss on disposal of investments.

b) Financial Liabilities :

Financial liabilities are classified at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings are subsequently measured at amortised costs using Effective Interest Rate method.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.

Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

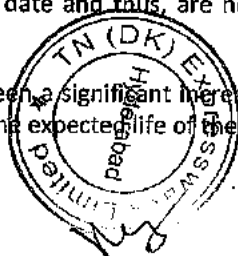
c) Impairment of financial assets (Expected Credit Loss Model)

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset and financial guarantees not designated at FVTPL

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract/agreement and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument, through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the life-time expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk has not increased significantly, the Company measures the loss allowance at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the life-time cash shortfalls that will result if the default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of a change in the amount



of the expected credit loss. To achieve that, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

2.15 Insurance claims :

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.16 Claims :

Claims against the Company not acknowledged as debts are disclosed under contingent liabilities. Claims made by the company are recognised as and when the same is approved by the respective authorities with whom the claim is lodged.

2.17 Commitments :

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

- i) Estimated amount of contracts remaining to be executed on capital account and not provided for
- ii) Uncalled liability on shares and other investments partly paid
- iii) Funding related commitment to subsidiary, associate and joint venture companies and
- iv) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.18 Employee Benefit :

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

i) Short term Employee Benefit :

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

ii. Post employment benefits

(a) Defined contribution plans:

The Company's superannuation scheme and State governed provident fund linked with employee pension scheme are defined contribution plans. The contribution paid/ payable under the scheme is recognised during the period in which the employee renders the related service.

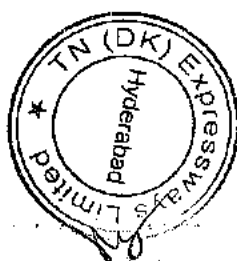


(b) Defined benefit plans:

The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities.

(c) Other long term Employee Benefit

The obligation for other long term employee benefits such as long term compensated absences, liability on account of Retention Pay Scheme are recognised in the same manner as in the case of defined benefit plans as mentioned in (ii)(b) above.



TN(DK) EXPRESSWAYS LIMITED
BALANCE SHEET AS AT 31 MARCH 2018

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current Assets			
Property, plant and equipment	3	9,682,487	13,417,563
Capital work-in-progress	5	1,358,900	1,358,900
Investment Property		-	-
Intangible assets	4	2,761,738,864	2,914,681,854
(i) under SCA			
(ii) others			
Intangible assets under development			
Financial assets			
(i) Investments		-	-
(ii) Loans	6	586,777	516,861
(iii) Other financial assets		-	-
Tax assets			
(i) Deferred Tax Asset (net)		-	-
Other non-current assets	7	5,358,554	5,091,448
Total Non-current Assets		2,778,725,481	2,935,036,025
Current Assets			
Financial assets			
(i) Current Investment			
(ii) Trade receivables	8	129,629	40,775
(iii) Cash and cash equivalents	9	58,972,648	65,753,012
(iv) Other bank balance		-	-
(v) Other financial assets	10	8,624,403	15,694,976
(c) Current tax assets (Net)	11	626,881	-
Other current assets	12	1,285,511	980,699
Assets classified as held for sale		-	-
Total Current Assets		69,619,082	82,469,462
Total Assets		2,848,344,563	3,017,505,487
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	746,600,000	746,600,000
Other Equity	14	(269,941,295)	(271,183,667)
Equity attributable to owners of the Company			
Non-controlling Interests			
Total Equity		476,658,705	475,416,333
LIABILITIES			
Non-current Liabilities			
Financial Liabilities			
(i) Long-term borrowings	15	1,158,800,951	1,427,220,190
(ii) Trade payables		-	-
(iii) Other financial liabilities	16	486,000	476,402
Provisions	17	705,579,352	669,308,507
Deferred tax liabilities (Net)		-	-
Other non-current liabilities		-	-
Total Non-current Liabilities		1,864,866,303	2,097,005,099
Current liabilities			
Financial liabilities			
(i) Borrowings			
(ii) Trade payables	18	3,628,742	15,667,887
(iii) Other financial liabilities	19	476,390,238	422,505,015
Provisions	20	21,674,593	491,510
(c) Current tax liabilities (Net)		-	-
Other current liabilities	21	5,125,987	5,419,643
Total Current Liabilities		506,819,555	445,084,055
Total Liabilities		2,371,685,858	2,542,089,154
Total Equity and Liabilities		2,848,344,563	3,017,505,487

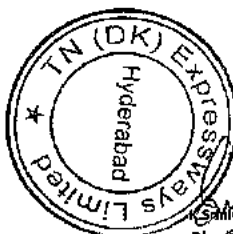
Significant Accounting Policies & Notes to Financial Statements 1 & 2

As per our report of even date

For GHOSHAL & GHOSH
Chartered Accountants
Firm's Registration No. 023640

S.S.R. Gupta
Partner
Membership No.: 023640

Place : Hyderabad
Date : 26-05-2018



S. Srinivas Rao
Director
DIN - 00022855

Place : Hyderabad
Date : 26-05-2018

For and on behalf of the Board of
TN(DK) EXPRESSWAYS LIMITED

M. Madhu
Director
DIN - 00368525

R. Anil Kumar
AGM (Finance & Accounts)

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

TN(DK) EXPRESSWAYS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2018

(Amount in Rs.)

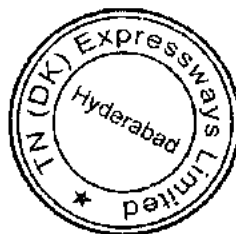
Particulars	Notes	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Revenue from operations	22	503,387,781	418,738,631
Other income	23	38,385,215	3,360,565
Total Income		541,772,996	422,099,196
Expenses			
Operating expenses	24	106,031,269	108,151,747
Employee benefits expenses	25	13,445,050	8,452,898
Finance costs	26	215,967,197	237,750,514
Depreciation and amortisation expenses	27	159,323,730	179,882,686
Other expenses	28	8,196,079	6,060,642
Total expenses		502,963,325	540,298,487
Add: Share of profit/(loss) of associates		-	-
Add: Share of profit/(loss) of joint ventures		-	-
Profit before exceptional items and tax		38,809,671	(118,199,291)
Add: Exceptional items		-	-
Profit before tax		38,809,671	(118,199,291)
Less: Tax expense			
(1) Current tax		-	-
(2) MAT credit entitlement		-	-
(2) Deferred tax		-	-
Profit for the period from continuing operations (I)		38,809,671	(118,199,291)
Other Comprehensive Income			
<u>A (i) Items that will not be reclassified to profit or loss</u>			
(a) Changes in revaluation surplus			
Remeasurements of the defined benefit plans		(483,009)	14,611
(c) Equity instruments through other comprehensive income			
(d) Others (specify nature)			
(e) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss			
<u>A (ii) income tax relating to items that will not be reclassified to profit or loss</u>			
<u>B (i) Items that may be reclassified to profit or loss</u>			
(a) Exchange differences in translating the financial statements of foreign operations including the gain / loss on related hedging instrument			
(b) Debt Instruments through other comprehensive income			
(c) Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge			
(d) Others (specify nature)			
(e) Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss			
<u>B (ii) Income tax relating to items that may be reclassified to profit or loss</u>			
Total other comprehensive income		(483,009)	14,611
Total comprehensive income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		38,326,662	(118,184,680)
Earnings per share (Face Value ₹ 10/- per share) Not annualised :			
(1) Basic (in Rs.)	37	0.52	(1.58)
(2) Diluted (in Rs.)	37	0.52	(1.58)

Significant Accounting Policies & Notes to Financial Statements 1 & 2
As per our report of even date

For GHOSHAL & GHOSAL
Chartered Accountants
Firm's Registration No. 54013E

S.S.R. Gupta
Partner
Membership No.: 023688

Place : Hyderabad
Date : 26-05-2018



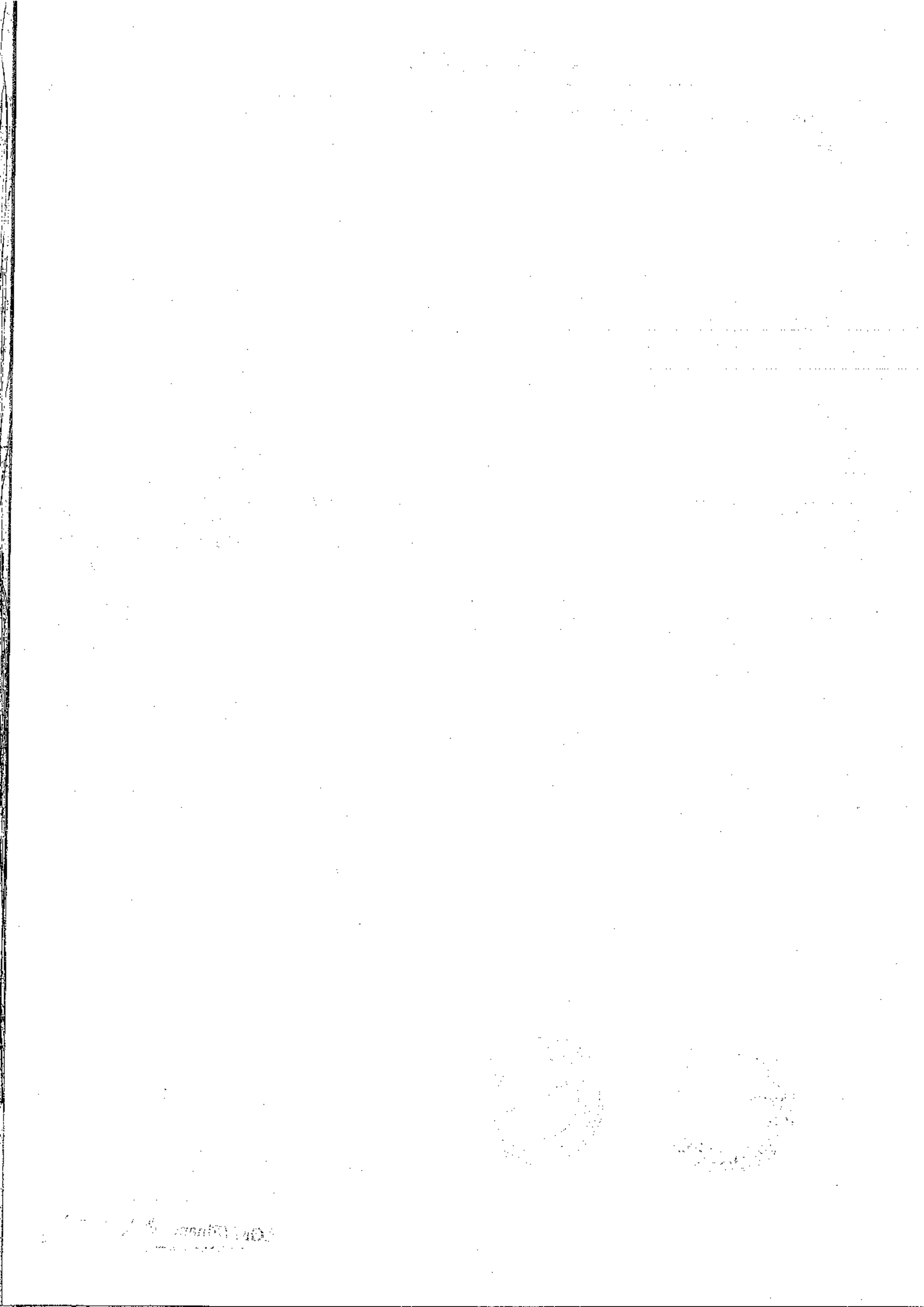
[Signature]
K. SRINIVAS RAO
Director
DIN - 00022855

For and on behalf of the Board of
TN(DK) EXPRESSWAYS LIMITED

[Signature]
MADHU MALAMPATI
Director
DIN - 00368625

[Signature]
AGM (Finance & Accounts)

6



TN(DK) EXPRESSWAYS LIMITED
Statement of Cash flows for the year ended March 31, 2018

(Amount in Rupees)

S. No.	Particulars	2017-18	2016-17
A	Net profit / (loss) before tax and extraordinary items	38,326,662	(118,184,680)
	Adjustment for:		
	Depreciation and amortisation expense	159,323,730	179,882,686
	Interest expense	215,967,197	237,790,514
	Interest income	(1,315,340)	(2,386,716)
	Capital grant deferment	-37084290	
	Dividend received		
	Pre operative expenses write off		
	Bad debts written off		
	(Profit)/loss on sale of current investments(net)		
	(Profit)/loss on sale of fixed assets		
	Provision for diminution in value of investment		
	Exceptional Items		
	Contingent provision against standard assets		
	Provision for major maintenance	32,179,635	28,462,787
	Operating profit before working capital changes	407,997,595	325,524,591
	Adjustments for:		
	Increase / (Decrease) in long term provisions	374,360	(2,507,736)
	Increase / (Decrease) in trade payable	(13,039,145)	9,129,033
	Increase / (Decrease) in other current liabilities	(293,656)	59,488,728
	Increase / (Decrease) in other current financial liabilities	53,885,218	68,503,965
	Increase / (Decrease) in other Non-current financial liabilities	9,598	17,202
	Increase / (Decrease) in short term provisions	21,183,081	(53,692)
	(Increase) / Decrease in other non-current assets	(268,106)	(483,826)
	(Increase) / Decrease in Trade Receivables	(88,854)	451,541
	(Increase) / Decrease in loans and advances	(69,916)	(428,672)
	(Increase) / Decrease in other financial asset	7,070,573	-
	(Increase) / Decrease in other current assets	(284,822)	(10,174,262)
	Net cash generated from/(used in) operating activities	475,875,926	449,466,872
	Direct taxes paid (net of refunds)	(626,881)	-
	Net Cash(used in)/generated from Operating Activities	475,249,045	449,466,872
B	Cash flow from investing activities		
	Construction Work-in-Progress	-	4,254,823
	Purchase of fixed assets	(2,675,163)	(5,415,445)
	Sale/dispose off of fixed assets		
	Purchase of current investments		
	(Purchase)/Sale of current investments		
	Intercompany deposits (placed)/refunded (net)		
	Dividend received from current investments		
	Interest received	1,315,340	2,386,716
	Net cash (used in)/generated from investing activities	(1,359,823)	1,226,094
C	Cash flow from financing activities		
	Proceeds from issue of capital	-	-
	Proceeds from long term borrowings	(269,049,784)	(207,306,938)
	Repayment of long term borrowings		
	Proceeds/repayment from/of Letter of Credit		
	Deferred payment liability		
	Interest paid	(211,619,802)	(237,116,624)
	Net cash (used in)/generated from financing activities	(480,669,586)	(444,423,562)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	(6,780,364)	6,269,404
	Cash and cash equivalents as at the beginning of the year	65,753,012	59,483,608
	Cash and cash equivalents as at the end of the year	58,972,648	65,753,012

Notes:

1. Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Cash Flow statements
2. Cash and cash equivalents represent cash and bank balances.
3. Previous year's figures have been regrouped/reclassified wherever applicable.

Significant Significant Accounting Policies & Notes to Financial Statements 1 & 2

As per or As per our report of even date

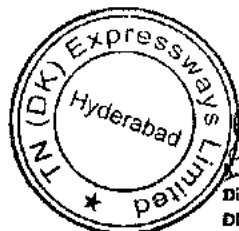
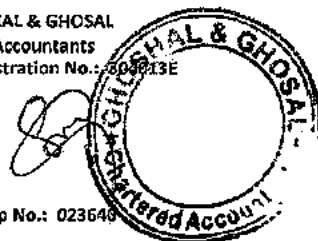
For GHOSHAL & GHOSAL

Chartered Accountants

Firm's Registration No.: 004913E

S.S.R. Gupta
Partner

Membership No.: 023640



Srinivasa Rao
Director
DIN - 00022855

For and on behalf of the Board of
TN(DK) EXPRESSWAYS LIMITED

M. Madhu
Director
DIN - 00368625

Place : Hyderabad
Date : 26-05-2018

Place : Hyderabad
Date : 26-05-2018

R. Min
AGM (Finance & Accounts)

Statement of Changes in Equity

A. Share Capital:

a. Equity share capital

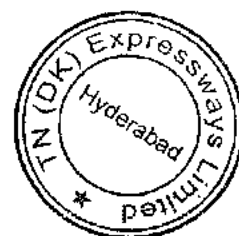
Movement during the period Particulars	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	Number of shares	Share capital (Amount)	Number of shares	Share capital (Amount)
Shares having face value of Rs 10/-				
Balance at the start of the period	74,647,000	746,470,000	74,647,000	746,470,000
Issued during the period	-	-	-	-
Balance at the end of the period	74,647,000	746,470,000	74,647,000	746,470,000

B. Other Equity

Particulars	Equity component of compound financial instruments	Reserves and Surplus		Other items of Other Comprehensive Income (specify nature)	Total
		Securities Premium Reserve	Retained Earnings		
Balance at the beginning of the reporting period i.e. 01.04.2017	-	-	(1,017,783,667)		(1,017,783,667)
Changes in accounting policy or prior period errors	-	-	-		-
Restated balance at the beginning of the reporting period	-	-	(1,017,783,667)		(1,017,783,667)
Total Comprehensive Income for the year			38,326,662		38,326,662
Dividends			-		-
Transfer to retained earnings			-		-
Any other change (to be specified)			-		-
Addition/Deletion in Equity Component			-		-
New share application money received			-		-
Security Premium received on issue of shares			-		-
Balance at the end of the reporting period i.e. 31.03.2018	-	-	(979,457,005)		(979,457,005)

Previous Year

Particulars	Equity component of compound financial instruments	Reserves and Surplus		Other items of Other Comprehensive Income (specify nature)	Total
		Securities Premium Reserve	Retained Earnings		
Balance at the beginning of the reporting period i.e. 01.04.2016	-	-	(899,598,987)		(899,598,987)
Changes in accounting policy or prior period errors	-	-	-		-
Restated balance at the beginning of the reporting period	-	-	(899,598,987)		(899,598,987)
Total Comprehensive Income for the year			(118,184,680)		(118,184,680)
Dividends			-		-
Transfer to retained earnings			-		-
Any other change (to be specified)			-		-
Balance at the end of the reporting period i.e. 31.03.2017	-	-	(1,017,783,667)		(1,017,783,667)



Fixed Assets	COST				AMORTIZATION				BOOK VALUE	
	As at 1 April 2017	Additions	Disposals / Adjustments	As at 31st Mar 2018	As at 1 April 2017	Charge for the Year 17-18	(Deductions) / Adjustments	As at 31st Mar 2018	As at 31st Mar 2018	As at 31st March 2017
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
A) Tangible Assets										
Land	1,720,600	-	-	1,720,600	-	-	-	-	1,720,600	1,720,600
Plant and Machinery	29,841,430	1,914,918	-	31,756,348	18,791,026	6,171,502	-	24,662,528	6,793,820	11,050,404
Office equipment	646,226	167,050	-	813,276	76,092	151,530	-	227,612	585,864	570,144
Computers	30,841	424,345	-	455,186	17,874	55,316	-	73,190	381,986	12,967
Furniture & fixture	80,069	165,850	-	245,919	16,620	31,892	-	48,512	200,407	63,448
TOTAL (A)	32,319,165	2,675,163	-	34,994,328	18,901,602	6,410,240	-	25,311,842	9,682,487	13,417,563
Note 4 Intangible Assets										
B) Intangible Assets										
Carriageway	3,208,139,677	-	-	3,208,139,677	293,593,805	152,869,927	-	446,463,732	2,751,675,945	2,914,545,872
Computer Software	289,861	-	-	289,861	183,878	43,563	-	227,442	62,419	105,982
TOTAL (B)	3,208,429,538	-	-	3,208,429,538	293,777,684	152,913,490	-	446,691,174	2,751,738,364	2,914,651,854
Note 5 Capital Work In Progress										
C) Capital Work-in-Progress										
Plant & Machinery	1,358,300	-	-	1,358,300	-	-	-	-	1,358,300	1,358,300
TOTAL (C)	1,358,300	-	-	1,358,300	-	-	-	-	1,358,300	1,358,300
Grand Total (A+B+C)	3,242,107,003	2,675,163	-	3,244,782,166	312,679,286	155,323,730	-	472,003,016	2,772,779,150	2,929,427,717
Previous Year				3,242,107,003				312,679,286		2,929,427,717

Notes:

For Depreciation and amortisation policy, refer Significant Accounting Policies.

The Company has charged depreciation based on the remaining useful life of the assets as per the requirements of Schedule II of Companies Act, 2013 effective from 1st April 2014.

For information on Charge created on Assets refer note 33 of financial statements



TN(DK) EXPRESSWAYS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018 (CONTINUED)

6. TERM LOANS AND ADVANCES

Particulars	As at 31st March 2018	As at 31 March 2017
	Rs.	Rs.
Unsecured, considered good		
Loans to related parties		516,881
Capital Advances for Capital Works	586,777	
Security Deposits		516,881
Total	586,777	516,881

7. OTHER NON-CURRENT ASSETS

Particulars	As at 31st March 2018	As at 31 March 2017
	Rs.	Rs.
Non-Current Advances to Suppliers	500	2,171
Non-Current Advances to Others	106,154	106,154
Retention Money	5,252,900	4,983,123
Deposits & Refunds	6,359,554	6,081,448
Total		

8. TRADE RECEIVABLES

Particulars	As at 31st March 2018	As at 31 March 2017
	Rs.	Rs.
Unsecured, considered good		
Receivables outstanding for period exceeding six months	129,629	40,775
Other Receivables		
Total	129,629	40,775

9. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March 2018	As at 31 March 2017
	Rs.	Rs.
Cash and cash equivalents		
Balance with banks	12,801,022	20,184,306
- on current account	44,059,893	43,647,213
- In Deposit Accounts	1,314,793	2,021,493
Cash on hand	58,972,648	65,753,012
Other Bank balances	58,972,648	65,753,012
Total		

For information on Charge created on Assets refer note 33 of financial statements

10. OTHER FINANCIAL ASSETS

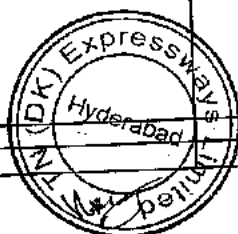
Particulars	As at 31st March 2018	As at 31 March 2017
	Rs.	Rs.
RECEIVABLE FROM NHAI	8,624,403	15,694,976
Total	8,624,403	15,694,976

11. Current Tax Asset (Net)

Particulars	As at Mar 31, 2018	As at Mar 31, 2017.
TDS Recoverable - Others	626,884	-
Total	626,884	-

12. Other Current Assets

Particulars	As at Mar 31, 2018	As at Mar 31, 2017
Prepaid Expenses	36,667	34,731
Staff advance	63,916	34,084
Advances to related parties	3,450	65,550
Rent receivable	139,029	390,476
Prepaid Insurance	32,400	
Prepaid Internet & Surveillance	619,205	455,858
Others	370,853	
Statutory Dues	1,265,521	980,699
Total		



13 Equity Share Capital

(Amount in Rs.)

Particulars	As at March 31, 2018	As at March 31, 2017
Note: 1 SHARE CAPITAL		
AUTHORISED:		
Equity Shares of Rs.10/- each	75,000,000	750,000,000
	75,000,000	750,000,000
ISSUED, SUBSCRIBED & PAID UP:		
Equity Shares of Rs.10/- each fully paid up.	74,660,000	746,600,000
Total	74,660,000	746,600,000

Foot Notes:

i. Reconciliation of the number of shares outstanding at the beginning and as on 31st March' 2018

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	Amount in Rs.	Number	Amount in Rs.
Number of equity shares at the beginning of the Year	74,660,000	746,600,000	74,660,000	746,600,000
Equity shares issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Number of equity shares at the end of the Year	74,660,000	746,600,000	74,660,000	746,600,000

The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

During the period ended on 31.03.2018, no dividend is declared by Board of Directors. (Previous year - Nil)

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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders

Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Madhucon Infra Limited (Holding Company)	38,055,000	50.98%	38,055,000	50.98%
Madhucon Toll Highways Limited (Subsidiary of Holding company)	36,477,000	48.87%	36,477,000	48.87%
Others	113,000	0.15%	113,000	0.15%
TOTAL	74,645,000	99.85%	74,645,000	99.85%

iv. Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Equity shares of 10/- each fully paid				
Madhucon Infra Limited (Holding Company)	38,055,000	50.98%	38,055,000	50.98%
Madhucon Toll Highways Limited (Subsidiary of Holding company)	36,477,000	48.87%	36,477,000	48.87%
TOTAL	74,532,000	99.85%	74,532,000	99.85%

14 Other Equity

Particulars	As at March 31, 2017	As at March 31, 2017
Capital Grant	746,600,000	746,600,000
Less : Grant deferment till 2016-17	(167,042,282)	
Less : Grant deferment for 2017-18	(37,084,290)	
Equity Component of Unsecured Loan		
Profit & Loss	(812,414,723)	(1,017,783,667)
Total	(269,941,295)	(271,183,667)

Movement In Other Equity

Particulars	As at March 31, 2018	As at March 31, 2017
Statement of Profit and Loss		
Balance at beginning of the period	(1,017,783,667)	(899,598,987)
Net profit for the period / year	38,809,671	(118,199,291)
Other Comprehensive Income / (Expense)	(483,009)	14,611
Capital Grant deferment till 2016-17	167,042,282	-
Transfer from / (to) Debenture Redemption Reserves		
Transfer to Capital Redemption Reserves		
Balance at end of the period	(812,414,723)	(1,017,783,667)



13 Equity Share Capital

(Amount in Rs.)

Particulars	As at March 31, 2018	As at March 31, 2017
Note: 1 SHARE CAPITAL		
AUTHORISED:		
Equity Shares of Rs.10/- each	75,000,000	750,000,000
	75,000,000	750,000,000
ISSUED, SUBSCRIBED & PAID UP:		
Equity Shares of Rs.10/- each fully paid up.	74,660,000	746,600,000
Total	74,660,000	746,600,000

Foot Notes:

i. Reconciliation of the number of shares outstanding at the beginning and as on 31st March' 2018

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	Amount in Rs.	Number	Amount in Rs.
Number of equity shares at the beginning of the Year	74,660,000	746,600,000	74,660,000	746,600,000
Equity shares issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Number of equity shares at the end of the Year	74,660,000	746,600,000	74,660,000	746,600,000

The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

During the period ended on 31.03.2018, no dividend is declared by Board of Directors. (Previous year - Nil)

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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders

Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;

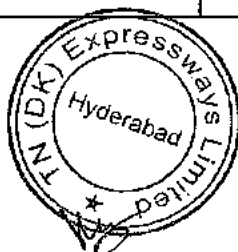
Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Madhucon Infra Limited (Holding Company)	38,055,000	50.98%	38,055,000	50.98%
Madhucon Toll Highways Limited (Subsidiary of Holding company)	36,477,000	48.87%	36,477,000	48.87%
Others	115,000	0.15%	115,000	0.15%
TOTAL	74,647,000	99.85%	74,647,000	99.85%

iv. Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Equity shares of 10/- each fully paid				
Madhucon Infra Limited (Holding Company)	38,055,000	50.98%	38,055,000	50.98%
Madhucon Toll Highways Limited (Subsidiary of Holding company)	36,477,000	48.87%	36,477,000	48.87%
TOTAL	74,532,000	99.85%	74,532,000	99.85%

14 Other Equity

Particulars	As at March 31, 2017	As at March 31, 2017
Capital Grant	746,600,000	746,600,000
Less : Grant deferment till 2016-17	(167,042,282)	
Less : Grant deferment for 2017-18	(37,084,290)	
Equity Component of Unsecured Loan		
Profit & Loss	(812,414,723)	(1,017,783,667)
Total	(269,941,295)	(271,183,667)



Movement in Other Equity

Particulars	As at March 31, 2018	As at March 31, 2017
Statement of Profit and Loss		
Balance at beginning of the period	(1,017,783,667)	(899,598,987)
Net profit for the period / year	38,809,671	(118,199,291)
Other Comprehensive Income / (Expense)	(483,009)	14,611
Capital Grant deferment till 2016-17	167,042,282	-
Transfer from / (to) Debenture Redemption Reserves		
Transfer to Capital Redemption Reserves		
Balance at end of the period	(812,414,723)	(1,017,783,667)

15 Long-term borrowings

Particulars	As at Mar 31, 2018	As at Mar 31, 2017
Secured Loans		
From Banks	1,158,800,951	1,427,220,189
from financial institution	-	-
Less: Current Maturities of Term Loan	-	-
Total(A)	1,158,800,951	1,427,220,189
Funded Interest Term Loan		
From Banks,	-	-
from financial institution,	-	-
Less: Current Maturities of Term Loan	-	-
Total(B)	-	-
Unsecured Loans		
from related Parties	-	-
from other parties	-	-
Total(C)	-	-
Total(A+B+C)	1,158,800,951	1,427,220,189

Terms of Repayment of Secured Loans:

Indian Rupees Term Loans consists of Loans borrowed from a consortium of 7 bankers. During the Financial Year 2012-2013 the company went for Restructuring of Term Loans for Rs.180.45 Cr by extending door to door tenor of loan from the existing remaining 6.25 years to 10 years by changing the repayment structure, with cutoff date as 31.12.2012. During the year Rs.26,90,49,784 of current year repayment of the loan amount was repaid. During the year banks has charged 13% interest on loan.

Terms of Security:

- First mortgage and charge over all the Borrower's properties and assets, both present and future, excluding the project assets (as defined in the Concession Agreement).
- First charge on all intangible assets of the borrower including but not limited to the goodwill, rights, undertaking and uncalled capital of the borrower.
- First charge or assignment of all the receivables / revenues of the borrower from the project.
- Pledge of shares aggregating 51% of the paid up equity capital of the borrower, until the currency of the loan.
- First charge on borrowers all bank accounts including, without limitation, the escrow account and Debt Service Reserve Account to be established by the borrower and each of the other accounts required to be created by the Borrower under any project document or contract.
- Assignment in favour of Lenders of all insurance policies.
- Assignment of contract or guarantee, liquidated damages, letter of credit, guarantee or performance bond that may be provided by any counter party under any project agreement or contract in favour of the borrower.
- Apart from the above, the following personal and company guarantees have been stipulated in view of the proposed restructuring package:
 - Personal guarantee of Mr. Nama Seethaiah, Mr. M Madhu and Mr. K Srinivasa Rao.
 - Corporate Guarantee of Madhucon Infra Ltd and Madhucon Toll Highways Limited to cover the entire debt outstanding.

Terms of Repayment of Unsecured Loans:

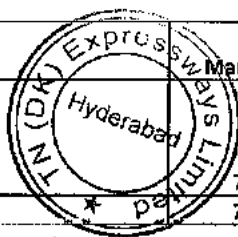
The unsecured loans are given by the Promoters of the Company as per the Concession Agreement with NHAI, by way of Subordinate Loan. Such subordinate loans are Interest free and the repayment shall be made only after the Final Settlement date, the date on which all the Secured Obligations have been discharged in full to the satisfaction of the Lenders.

16 Other Financial liabilities

Particulars	As at Mar 31, 2018	As at Mar 31, 2017
A. Non-Current		
Deposits	486,000.00	476,402.00

17 Long Term Provisions

Particulars	As at Mar 31, 2018	As at Mar 31, 2017
Provision for Employee Benefits:		
Provision for Gratuity	272,131	10,003
Provision for Leave Encashment	270,443	158,211
Provision for MMR	705,036,778	669,140,292
Total	705,579,352	669,308,506





18 Trade payables

Particulars	As at Mar 31, 2018	As at Mar 31, 2017
Trade payables	3,628,742	16,667,887
Total	3,628,742	16,667,887

19 Other Financial liabilities

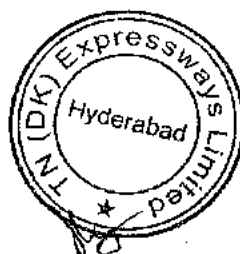
	As at Mar 31, 2018	As at Mar 31, 2017
B. Current		
Current maturity of long term debt	284,452,025	231,028,029
Interest accrued and due on borrowing	-	-
Payable to EPC contractor	-	-
EPC Works, Utility Shifting & Road Maintenance	-	-
Retention Money to related parties	11,523,808	9,172,590
Retention money for other works	764,572	704,198
Others payables to Related Parties	179,649,828	181,600,198
Total	476,390,233	422,505,015

20 Short Term Provisions

Particulars	As at Mar 31, 2018	As at Mar 31, 2017
Provision for Employee Benefits:		
Provision for gratuity (current)	50,000	16,456
Provision for employee benefit	-	-
Provision for MMR	-	-
Provision for leave encashment (current)	100,221	25,115
Provision for Expenses-COS	21,195,449	-
Other Provisions	328,923	449,938
Total	21,674,593	491,509

21 Other Current liabilities

Particulars	As at Mar 31, 2018	As at Mar 31, 2017
Statutory Dues	5,125,987	5,419,643
Total	5,125,987	5,419,643



22 Revenue from operations

Particulars	2017-18		2016-17	
	Amount(₹)		Amount(₹)	
Operating revenue:				
Toll Collections		50,25,70,131		41,78,72,351
Other operating revenue:				
Rental Income - Toll Plaza		8,17,650		8,66,280
Total		50,33,87,781		41,87,38,631

23 Other income

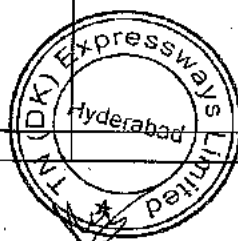
Particulars	2017-18		2016-17	
	Amount(₹)	Amount(₹)	Amount(₹)	Amount(₹)
Interest income from:				
Bank deposits	13,09,620		23,86,716	
Inter-corporate deposits			-	
Others	5,720		-	
		13,15,340		23,86,716
Profit on sale of current investments				
Profit/(loss) on disposal of fixed assets				
Liability Written Back		(30,165)		5,51,429
Utility Shifting				
Capital reserve deferment		3,70,84,290		
Other income		15,750		4,22,420
Total		3,83,85,215		33,60,565

24 Operating expenses

Particulars	2017-18		2016-17	
	Amount(₹)	Amount(₹)	Amount(₹)	Amount(₹)
Security Services		77,14,223		39,23,035
Toll Monitoring expenses		2,62,500		2,58,960
Toll Plaza Maintenance		31,36,009		25,62,551
Annual Maintenance Charges - Toll Plaza		15,83,026		15,60,000
Loss on Assets Discarded				
Electricity Charges		38,16,943		42,53,704
Repairs & Maintenance - Others				
Repairs - Maintenance			35,054	
Repairs - Maintenance - Site	4,46,131		2,10,306	
Repairs - Maintenance - Computer			1,12,610	
D G Running & Maintenance - Site	7,11,029		1,15,614	
		11,57,160		4,73,584
Civil Works Wirms and toilet block expns		12,07,464		
Independent Consultant charges		37,16,095		4,52,336
Highway Maintenance -Routine		4,98,45,833		8,54,98,853
Hire Charges		14,12,380		12,13,972
Highway Maintenance-Periodic		3,21,79,636		2,84,62,787
		10,60,31,269		12,86,59,782
Less: Income during Demonetisation				2,05,08,035
Total		10,60,31,269		10,81,51,747

25 Employee benefit expenses

Particulars	2017-18		2016-17	
	Amount(₹)		Amount(₹)	
Salaries, wages and bonus		1,20,40,686		75,20,703
Contributions to and provisions for:				
Provident fund		6,02,840		4,47,610
Gratuity		1,45,776		
Compensated absences		3,37,234		8,919
Retention pay				
Others				
Staff welfare expenses		8,01,523		4,75,666
Total		1,39,28,059		84,52,898



Finance costs

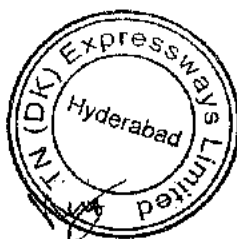
Particulars	2017-18	2016-17
	Amount(₹)	Amount(₹)
Interest on borrowings	203,797,386	231,216,978
Interest on Service Tax	8,955	6,858
Interest on TDS/Income Tax	91,934	16,675
Other Borrowing Cost	7,290,903	2,248,241
Penal Interest	430,624	3,627,873
Unwinding Interest Cost (MMR)	3,716,849	-
Unwinding Interest Cost (Upfront Fee)	630,546	633,889
Total	215,967,197	237,750,514

27 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Depreciation	6,410,240	9,753,174
Amortisation	152,913,490	170,129,512
Total	159,323,730	179,882,686

Administration and other expenses

Particulars	2017-18		2016-17	
	Amount(₹)	Amount(₹)	Amount(₹)	Amount(₹)
Rent		534,904		556,708
Rates and taxes		4,505		14,135
Insurance		1,970,275		1,339,603
Conveyance		55,783		57,321
Travelling Expenses		297,990		475,685
Communication		304,354		506,247
Maintenance Expenses				
Office		259,422		261,536
Computer				
Legal & Professional Fee		3,765,688		1,282,318
Electricity Charges		266,707		620,551
Security Services				247,742
Tax Audit Fees				74,750
Payments to Auditors:				
Audit Fees	25,878		114,500	
Certification Charges	12,390		64,400	
Audit expenses	118,392		15,079	
		156,600		193,979
Bank Charges		185,287		112,868
Books and Periodicals		-		-
Printing and Stationery		385,874		280,363
Subscriptions		-		-
Concession Fee		4		-
Miscellaneous expenses		8,626		9,188
Advertisement		-		27,648
Total		8,196,079		6,060,642



Disclosure of Financial Instruments by Category

Financial Instruments by categories	Note No.	31-03-2018			31-03-2017		
		FVTPL	FVTOCI	Carrying value	FVTPL	FVTOCI	Carrying value
Financial asset							
Loans and advances	6			586,777			516,861
Trade receivable	8			129,629			40,775
Cash and cash equivalents	9			58,372,648			65,753,012
NHAI-Grant receivables	10			734,189			
NHAI-Grant receivables	10						
NHAI-Retention money	10						
NHAI - RECEIVABLE - FORCE MAJEURE COST	10			7,471,104			
NHAI - RECEIVABLE - UNIFORM CLAIMS	10			419,110			
NHAI - RECEIVABLE - WIM'S	10						
Total Financial Asset				68,313,457			66,310,648

Financial liability							
Term Loan from Banks and Financial Institution	15			1,158,800,951			1,427,220,189
Loans from other party							190,500,000
Trade Payables	18			3,628,742			16,667,887
Other Current Financial Liabilities	19			191,938,208			191,476,986
Other Non-Current Financial Liabilities	16			486,000			476,400
Total Financial Liabilities				1,354,853,901			1,826,341,462

There are no defaults with respect to payment of principal interest, sinking fund or redemption terms and no breaches of the terms and conditions of the loan, except delay in few cases.

30 Fair value of Financial asset and liabilities at amortized cost

Particular	Note no.	31.03.2018		31.03.2017	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets					
Loans and advances	6	586,777.00	586,777.00	516,861.00	516,861.00
Trade receivable	8	129,629	129,629	40,775	40,775
Cash and cash equivalents	9	58,972,648	58,972,648	65,753,012	65,753,012
NHAI-Grant receivables	10	734,189	734,189		
NHAI-Grant receivables	10				
NHAI-Retention money	10				
NHAI - RECEIVABLE - FORCE MAJEURE COST	10	7,471,104	7,471,104		
NHAI - RECEIVABLE - UNIFORM CLAIMS	10	419,110	419,110		
NHAI - RECEIVABLE - WIM'S	10				
Total Financial Assets		68,313,457	68,313,457	66,310,648	66,310,648
Financial liability					
Term Loan from Banks and Financial Institution	15	1,158,800,951	1,158,800,951	1,427,220,189	1,427,220,189
Loans from other party				190,500,000	190,500,000
Trade Payables	18	3,628,742	3,628,742	16,667,887	16,667,887
Other Current Financial Liabilities	19	486,000	486,000	476,400	476,400
Other Non-Current Financial Liabilities	16	191,938,208	191,938,208	191,476,986	191,476,986
Total Financial Liabilities		1,354,853,901	1,354,853,901	1,826,341,462	1,826,341,462

The carrying amount of current financial assets and current trade and other payables measured at amortised cost are considered to be the same as their fair values, due to their short term nature.

The carrying value of Rupee Term Loan and Loan from Related Party approximate fair value as the instruments are at prevailing market rate.

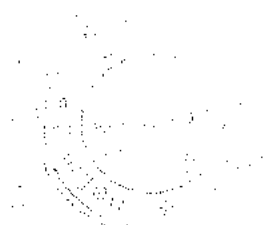
Fair Value Measurement of Financial asset and Financial liabilities

Financial Asset & Liabilities Measured at Amortized cost for which fair values are to be disclosed	Note No.	Level 1 (₹)		Level 2 (₹)		Level 3 (₹)		Total (₹)	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Financial Assets									
Loans & advances	6	-	-	586,777	516,861	-	-	-	-
Trade receivable	8	-	-	129,629	40,775	-	-	-	-
Cash and cash equivalents	9	-	-	58,972,648	65,753,012	-	-	-	-
NHAI-Grant receivables	10	-	-	734,189	-	-	-	-	-
NHAI - RECEIVABLE - FORCE MAJEURE COST	10	-	-	7,471,104	-	-	-	-	-
NHAI - RECEIVABLE - UNIFORM CLAIMS	10	-	-	419,110	-	-	-	-	-
Total of Financial Assets		-	-	68,313,457	66,310,643	-	-	-	-
Financial Liabilities									
Term Loan from Banks	15	-	-	1,158,800,951	1,427,220,189	-	-	-	-
Loans from other party	-	-	-	-	190,500,000	-	-	-	-
Other Non Current Financial Liabilities	16	-	-	486,000	476,400	-	-	-	-
Other Current Financial Liabilities	19	-	-	191,938,208	191,476,986	-	-	-	-
Trade receivables	18	-	-	3,628,742	16,667,887	-	-	-	-
Total of Financial Liabilities		-	-	1,354,853,901	1,826,341,462	-	-	-	-

Valuation techniques and inputs used to determine fair value

Financial assets and liabilities	Valuation method	Inputs
Financial assets		
Trade receivable	Historical cost	Cash flow
Cash and cash equivalents	Historical cost	Cash flow
Financial liabilities		
Term Loan from Banks	Historical cost	Current Bank Rate
Loans from Related parties	Historical cost	Current Bank Rate

Particulars	Note no	31.03.2018	31.03.2017
Non Financial Asset			
Property, Plant & Equipment	3	9,682,487	13,417,563
Intangible asset	4	2,761,738,364	2,914,651,854
Capital Work in Progress	5	1,358,300	1,358,300
Other Financial Asset		586,777	516,861
Financial Asset			
Trade receivable	9	129,629	40,775
Cash and Cash Equivalents	10	58,972,648	65,753,012
TOTAL		2,832,468,204	2,995,738,364



33 Financial Risk Management

The company's activities expose it to 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. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A) Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company is not exposed to foreign currency risk as it has no borrowing in foreign currency.

ii Interest rate risk

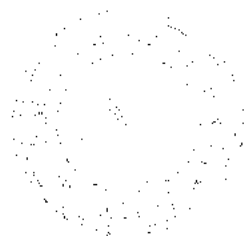
Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The interest risk arises to the company mainly from Long term borrowings with variable rates. The company measures risk through sensitivity analysis. Currently, Lending by Commercial Banks is at variable rate only, which is the inherent business risk.

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

Particulars	31.03.2018	31.03.2017	31.03.2016
Senior Debt from Banks - Variable rate borrowings	1,428,339,901	1,635,745,671	1,774,652,386
Sensitivity analysis based on average outstanding Senior Debt			
Interest Rate Risk Analysis	Impact on profit/ loss after tax		
	FY 2017-18	FY 2016-17	
Increase or decrease in Interest rate by 25 basis point	3,830,107	4,262,998	

Note: Profit will increase in case of decrease in interest rate and vice versa



III Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The company measures risk through sensitivity analysis.

The company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The company is not exposed to price risk as it has no investment.

B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. The company is exposed to liquidity risk due to bank borrowings and trade and other payables.

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following are the contractual maturities of financial liabilities

As at March 31, 2018	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Senior Debt from Banks	1,428,339,901	284,452,025	279,700,000	860,040,000	4,147,876
Trade Payables	3,628,742	3,628,742	-	-	-
Other Financial Liabilities	486,000	486,000	-	-	-
Derivative Financial Liability	NIL	NIL	NIL	NIL	NIL
As at March 31, 2017	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Senior Debt from Banks	1,635,745,671	231,028,029	261,699,949	938,326,568	204,691,125
Trade Payables	22,205,110	22,205,110	-	-	-
Other Financial Liabilities	476,402	476,402	-	-	-
Derivative Financial Liability	NIL	NIL	NIL	NIL	NIL

C) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The company generally does not have trade receivables as collection of toll income coincide as and when the traffic passes through toll - plazas. Hence, the management believes that the company is not exposed to any credit risk.



34 Disclosure of segment information pursuant to Ind AS 108 "Operating Segments"

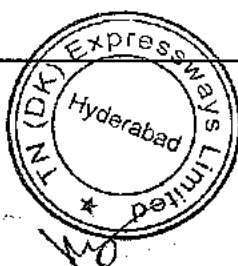
The Company is engaged in the business of construction, operation and maintenance of Toll road projects on a Build Operate Transfer basis in a single business segment. Hence reporting of operating segments does not arise. The Company does not have operations outside India. Hence, disclosure of geographical segment information does not arise.

35 Disclosure of related parties / related party transactions pursuant to Ind AS 24 "Related Party Disclosures"**a) List of related parties**

Ultimate Holding Company :	Madhucon Projects Limited
Holding Company :	Madhucon Infra Limited
Fellow Subsidiaries :	Maducon Toll Highways Limited Trichy Tanjavur Expressways Limited
Fellow Subsidiary of Holding Company :	Madurai-Tuticorin Expressways Limited
Key Managerial Personnel:	K. Srinivas Rao (Director w.e.f. 31-01-2006) M.Madhu (Director w.e.f. 16-12-2009) Nama Rama Rao (Director w.e.f. 14-02-2015)

b) Disclosure of related party transactions:

Particulars	2017-18	2016-17
	Amount(₹)	Amount(₹)
(i) Reimbursement of expenses charged from		
i) Holding company		
Madhucon Infra Limited	693,722	223,406
Fellow subsidiaries		
Madurai Tuticorin Expressways Limited	-	1,245,855
Trichy Tanjavur Expressways Limited	2,618,250	105,432
(ii) Reimbursement of expenses charged to		
Ultimate Holding company		
Madhucon Projects Limited	338,145	1,456,474
Holding company		
Madhucon Infra Limited	344,538	539,916
Fellow subsidiaries		
Madurai Tuticorin Expressways Limited	-	29,600
Trichy Tanjavur Expressways Limited	-	-
(iii) O&M Maintenance Charges		
Holding company		
Madhucon Infra Limited	49,845,833	85,498,853
	53,840,488	89,099,536



c) Amount due to and due from related parties(net):

(Amount in `)

Particulars	Amounts due (to)/from	
	As at March 31, 2018	As at March 31, 2017
(i) Current Account Balances		
Holding Company		
Madhucon Infra Limited	15,303,096	(6,658,307)
Fellow Subsidiaries		
Madurai Tuticorin Expressways Limited	114,044	13,394
Trichy Tanjavur Expressways Limited	2,471,147	(147,103)
(ii) Share Capital		
Ultimate Holding Company		
Madhucon Projects Limited	(1,150,000)	(1,150,000)
Holding Company		
Madhucon Infra Limited	(380,550,000)	(380,550,000)
Madhucon Toll Highways Limited	(364,770,000)	(364,770,000)
(iii) Unsecured Loan		
Holding Company		
Madhucon Infra Limited	(190,500,000)	(190,500,000)

d) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are Current Account Balances and settlement does not occurs by cash.

There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2016: INR Nil, 1 April 2015: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

- e) There is no provision for bad and doubtful debts to related parties with regard to outstanding expenses and there is no expense recognized in respect of bad and doubtful debts due from related parties.

36 Disclosure pursuant to Ind AS 17 "Leases"

The Company has not acquired any assets either under Finance lease or under Operating lease. Hence disclosures pertaining to Ind AS 17 - "Leases" are not applicable.



37 Disclosure pursuant to Ind AS 33 "Earnings per share"

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 "Earnings per share".

Particulars		2017-18	2016-17
		(₹)	(₹)
Basic and Diluted			
Profit after tax as per accounts (₹)	A	38,809,671	(118,199,291)
Weighted average number of shares outstanding	B	74,660,000	74,660,000
Basic and Diluted EPS (₹)	A / B	0.52	-1.58
Face value per equity share (₹)		10	10

38 Disclosure pursuant to Ind AS 36 "Impairment of Assets"

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:

- The provision for impairment loss, if any required; or
- The reversal, if any, required of impairment loss recognized in previous period.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual assets, at the higher of the net selling price and the value in use;
- In the cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's net selling price and the value in use;

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life).

Based on a review of the future discounted cash flows of the project facility, the recoverable amount is higher than the carrying amount and hence no provision for impairment is made for the year.

39 Disclosures as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent assets "**a) Nature of provisions:**

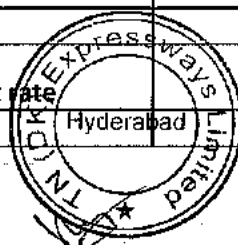
The company is required to operate and maintain the project highway during the entire concession period and hand over the project back to the Authority (NHAI) as per the maintenance standards prescribed in Concession agreement.

For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally periodic maintenance includes resurface of pavements, repairs of structures and other equipments and maintenance of service roads.

As per industry practice, the periodic maintenance is expected to occur after 5 years. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually.

b) Movement in provisions:

Particulars	Major maintenance provision Amount(₹)		
Balance as at 01.04.2017			669,140,292
Additional provision			32,179,636
Utilised			-
Unused amounts reversed			-
Unwinding of discount and changes in discount rate			-
Total			701,319,928



c) Contingent Liabilities :

Claims against the Company not acknowledged as debt:

The EPC Contractor for the project of the company has raised a claim of ₹. 48,63,00,000/- (Previous Year ₹. 48,63,00,000/-) on the company on account of Change/Variation in Scope of Work, Cost Escalation and additional works. The Company has also raised similar claim with NHAI.

40 Disclosure as per Ind AS 1 - "Presentation of Financial Statements"

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 parent. The primary objective of the company's capital management is to maximise the shareholder value.

(Ind AS 1 requires the company to make quantitative and qualitative disclosures regarding objectives policies and processes for managing capital. Also, if comparative amounts are reclassified, nature amount and reason to be disclosed and not just the fact of reclassification.)

41 Disclosure pursuant to Ind AS 38 - "Intangible Assets"

Intangible asset	Useful Life (in years)	Amortisation method used	Internally generated or Acquired
Software	5	Straight Line/ Remaining useful	Acquired
Carraigeway	17.5	Straight Line/ Remaining useful life	Constructed

42 First time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.



43 Corporate Information

TN (DK) Expressways Limited was incorporated under the Companies Act, 1956, on 31st Day of January 2006 as a Special Purpose Vehicle for Design, Construction, Development, Finance, Operation and Maintenance of KM 305.600 (End of Karur Bypass) – KM 373.275 (Start of Proposed Flyover at Dindigul Bypass) Covering 68.125 Kms, and Improvement, Operation and Maintenance of KM 292.600 (Start of Karur Bypass) – KM 305.600 (End of Karur Bypass) covering 9.600 Kilometers on NH-7 in the State of Tamilnadu on Build, Operate and Transfer (BOT) basis. This contract was awarded by National Highway Authority of India. The Concession period comprises of 20 years which includes construction period of 30 months. At the end of the concession period, the entire facility will be transferred to NHAI.

44 The Company has not earned any income/incurred any expenditure in foreign currency during the year. (previous year: Nil)

45 Disclosure pursuant to Ind AS 19 "Employee benefits":

(i) Defined contribution plan:

An amount of ₹6,02,840 (previous year : ₹4,47,610) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense (Note 21) in the Statement of Profit and loss.

(ii) Defined benefit plans:

a) Characteristics of its defined benefit plans and risks associated with them

b) The amounts recognised in Balance Sheet are as follows:

Particulars		Gratuity plan		Compensated absences	
		As at As at March 31, 2018	As at As at March 31, 2017	As at As at March 31, 2018	As at As at March 31, 2017
A)	Present value of defined benefit obligation				
	- Wholly funded	320,443	174,667	372,351	35,118
	- Wholly unfunded				
		320,443	174,667	372,351	35,118
	Less : Fair value of plan assets	-	-	-	-
	Amount to be recognised as liability or (asset)	320,443	174,667	372,351	35,118
B)	Amounts reflected in the Balance Sheet				
	Liabilities	320,443	174,667	372,351	35,118
	Assets	-	-	-	-
	Net Liability / (asset)	320,443	174,667	372,351	35,118

c) The amounts recognised in the Statement of Profit and loss are as follows:

Particulars		Gratuity plan		Compensated absences	
		As at As at March 31, 2018	As at As at March 31, 2017	As at As at March 31, 2018	As at As at March 31, 2017
		Amount(₹)	Amount(₹)	Amount(₹)	Amount(₹)
1	Current service cost	69,083	27,760	149,362	2,658
2	Interest on Defined benefit obligation	13,973	15,142	2,809	2,096
3	Expected return on plan assets	-	-	-	-
4	Actuarial losses/(gains)	62,720	(57,513)	185,062	4,165
	From changes in demographic assumptions				
	From changes in financial assumptions				
5	Past service cost	-	-	-	-
6	Actuarial gain/(loss) not recognised in books	-	-	-	-
7	Adjustment for earlier years	-	-	-	-
Total (1 to 7)		145,776	(14,611)	337,233	8,919
I	Amount included in "employee benefit expenses"	145,776	(14,611)	337,233	8,919
II	Amount included as part of "finance costs"	-	-	-	-
Total (I + II)		145,776	(14,611)	337,233	8,919
Actual return on plan assets		-	-	-	-



...the fact that the *Journal of Management Studies* is a leading journal in the field of management studies, and that the *Journal of Management Studies* is a leading journal in the field of management studies.

Journal of Management Education 36(7) 809–824

d) Effect of defined benefit plans on the amount, timing and uncertainty of entity's future cash flows

e) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Gratuity plan		Compensated absences	
	As at As at March 31, 2018	As at As at March 31, 2017	As at As at March 31, 2018	As at As at March 31, 2017
Opening balance of the present value of defined benefit obligation	1,74,667	1,89,278	35,118	26,199
Add: Current service cost	69,083	27,760	1,49,362	2,658
Add: Interest cost	13,973	15,142	2,809	2,096
Add: Contribution by plan participants				
i) Employer	-	-	-	-
ii) Employee	-	-	-	-
Add/(less): Actuarial losses/(gains)	62,720	(57,513)	1,85,062	4,165
Less: Benefits paid				
Add: Past service cost				
Closing balance of the present value of defined benefit obligation	3,20,443	1,74,667	3,72,351	35,118

f) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at March 31, 2018	As at March 31, 2017
1) Discount rate	8.00%	8.00%
2) Salary growth rate	6.00%	6.00%
3) Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
3) Attrition rate	15.00%	15.00%

g) A quantitative sensitivity analysis for significant assumption as at 31 March 2017

Particulars	Impact on defined benefit obligation					
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
1) Discount rate	1.00%	0.00%	7.26%	0.00%	-8.51%	0.00%
2) Salary growth rate	1.00%	0.00%	-17.85%	0.00%	15.80%	0.00%
3) Attrition rate	1.00%	0.00%	7.26%	0.00%	-8.51%	0.00%

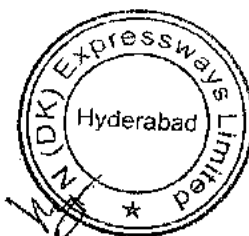
46 Auditors Remuneration (Including Service Tax) as follows:

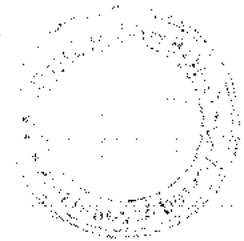
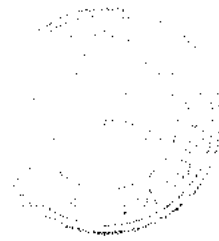
Particulars	2017-18	2016-17
	Amount(₹)	Amount(₹)
a) As auditor	25,878	1,14,500
b) For taxation matters	-	-
c) For company law matters	-	-
d) For other services	12,390	64,400
Total	38,268	1,78,900

47 Components of Other Comprehensive Income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	2017-18	2016-17
	Amount(₹)	Amount(₹)
Remeasurement gains/(losses) on defined benefit plans	(4,83,009)	14,611
Reclassified to Statement of profit and loss	-	-
	(4,83,009)	14,611





RECEIVED (JAN 1964) LADA