

RAJAHMUNDRY GODAVARI BRIDGE LIMITED

DIRECTORS' REPORT

To
The Shareholders of
Rajahmundry Godavari Bridge Limited

Your Directors have pleasure in submitting their Ninth Annual Report, together with the Audited Accounts of the Company, for the financial year from 1st April, 2017 to 31st March, 2018 (the "Period").

1. ACCOUNTS:

The Company has a loss of Rs.79,07,63,000 for the Period; which has been carried forward to the Balance Sheet.

2. PROJECT STATUS:

Your Company is in commercial operations of the project to "Design, construct finance, operate & maintain a major bridge across river Godavari starting at km. 82/4 of Eluru-Gundugolnu-Kovvur road on kovvur side and joining NH-5 at km. 197/4 on Rajahmundry side in the State of Andhra Pradesh, on Build-Operate-Transfer (BOT) Basis" since 1st November 2015 on receipt of Provisional Commercial Operation Date (PCOD) Certificate. There is gradual increase in traffic using our toll road. The company has received approval for revised Toll rates since June'2017. There is gradual increase in Toll collection since then."

3. DIVIDEND/TRANSFER TO RESERVES:

In view of the loss during the year, the Directors have not recommended any dividend for the financial year under review. No amount is transferred to any reserves.

4. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:

In view of the nature of business activities currently being carried out by the Company, your Directors have nothing to report with respect to Conservation of Energy and Technology Absorption as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the

RAJAHMUNDRY GODAVARI BRIDGE LIMITED

Companies (Accounts) Rules, 2014. The Company has neither earned nor spent any foreign exchange during the Period.

6. PARTICULARS OF EMPLOYEES:

During the Financial Year / Period or any part of it, the Company has not employed any employee in receipt of remuneration in excess of the limits specified under Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

7. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with Section 134(5) of the Companies Act, 2013, the Directors to the best of their knowledge and ability confirm that:

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

8. BOARD OF DIRECTORS:

Ms. Poonam Sabnis joined the Board as an Additional Director w.e.f 2nd January, 2018 and she hold office upto the date of the ensuing Annual General Meeting of the Company.

The notice under Section 160 of the Companies Act, 2013, has been received from a member signifying their intention to propose candidature of Ms. Poonam Sabnis to the office of the Directors of the Company.

Ms. Renuka Shitut resigned from the Directorship of the Company w.e.f 2nd January, 2018.

Mr. Kaushik Chaudhuri, Director, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

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9. NUMBER OF MEETINGS OF THE BOARD:

Seven Board Meetings were held during the financial year. These were held on 20th April, 2017, 18th June, 2017, 3rd July, 2017, 5th September, 2017, 2nd January, 2018, 23rd February, 2018 and 31st March, 2018.

The intervening gap between the Meetings was not more than 120 days as prescribed under the Companies Act, 2013. Details of attendance by each Director at the said Board meetings are as under:

Name of Director (s)	Number of Meetings held	Attended
Mr. Kaushik Chaudhuri	7	7
Mr. Sanjay Chaudhuri	6	6
Ms. Poonam Sabnis*	3	3
Ms. Renuka Shitut**	4	4
Mr. Subramanya Venkata Ramana Murthy Satya Manapragada***	0	0

* Appointed as the Additional Director of the Company w.e.f. 2nd January, 2018

** Resigned from the Directorship of the Company with effect from 2nd January, 2018

*** Ceased to be a Director w.e.f. 10th April, 2017.

10. BOARD EVALUATION:

The Board is in the process of making a formal annual evaluation of its own performance and that of its committees and individual directors.

11. POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION AND OTHER DETAILS:

The Board is in the process of formulating a formal policy on Directors' appointment, remuneration and other details.

12. RISK MANAGEMENT:

The Board has not developed and implemented a formal risk management policy for the Company. However, the Board of Directors periodically as a part of its review of the business consider and discuss the external and internal risk factors like markets related, logistics related, Government policy related matters that may threaten the existence of the Company.

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13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not made any loans, guarantees or investments as covered under Section 186 of the Companies act, 2013.

14. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company has not made any related party transactions covered under the provisions of Section 188 of the Companies Act, 2013 hence; prescribed Form AOC-2 is not applicable.

15. EXTRACT OF THE ANNUAL RETURN:

As provided under Section 92(3) of the Companies Act, 2013, the extract of annual return is given in Annexure I in the prescribed Form MGT-9, which forms part of this report.

16. AUDITORS:

At the Annual General Meeting of the Company held on 12th August, 2016 the shareholders had appointed M/s.G. M. Kapadia & Co., Chartered Accountants (FRN:104767W) as the Statutory Auditors of the Company to hold office until the conclusion of the Twelfth Annual General Meeting, subject to ratification by shareholders at every subsequent AGM.

Amended provisions of Section 139 of the Act vide Companies (Amendment) Act, 2017 notified from 7th May, 2018 no longer requires ratification of appointment of Auditors by members at every subsequent AGM. In view of this, the appointment of Auditors is not proposed for ratification at ensuing AGM.

M/s. G.M.Kapadia & Co., Chartered Accountants (FRN:104767W) have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

17. AUDITORS' REPORT & SECRETARIAL AUDITORS' REPORT:

In the opinion of the Board, the observations made by the Auditors are self-explanatory and do not require any further clarification from the Board.

The Secretarial Auditors' have qualified their report by stating:

1. The Company has not appointed any KMP, as envisaged in Section 203 of the Companies Act, 2013.
2. The Board composition is not as per Section 149 of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

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3. The Company has not constituted any - Nomination & Remuneration Committee. The Composition of the Audit Committee is not as per Section 177 of the Companies Act, 2013. The Company has not established any Vigil Mechanism for their Directors & employees.

The Board would like to inform that necessary steps are being taken for the appointment of relevant managerial personnel and committees.

The Report of the Secretarial Auditor is given in Annexure II in the prescribed Form MR-3, which forms part of this report.

18. AUDIT COMMITTEE:

The Audit Committee of the Board oversees and reviews the financial reporting system and disclosures of its financial results. This Committee reviews the adequacy of internal audit procedures, systems and quality of audits, recommends the appointment of statutory auditors and discusses with them the internal control system. The composition of the Audit Committee is as follows:

Mr. Kaushik Chaudhuri, Chairman
Ms. Poonam Sabnis, Member
Mr. Sanjay Chaudhary, Member

One meeting of the Audit Committee was held during the financial year. This was held on 18th June, 2017. Details of attendance by each members at the said Audit Committee Meeting is as under:

Name of Director (s)	Number of Meetings held	Attended
Mr. Kaushik Chaudhuri	1	1
Mr. Sanjay Chaudhuri	1	1
Ms. Renuka Shitut*	1	1
Ms. Poonam Sabnis**	0	0
Mr. Subramanya Venkata Ramana Murthy Satya Manapragada***	0	0

* Ceased to be a Member of the Audit Committee w.e.f. 2nd January, 2018

** Appointed as Member of the Audit Committee w.e.f. 2nd January, 2018

**** Ceased to be a Member of the Audit Committee w.e.f. 10th April, 2017.

19. CHANGE IN THE NATURE OF BUSINESS;

There has been no change in the nature of business during the year under review.

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20. DEPOSITS

The Company has not accepted any deposits covered under Chapter V of the Act.

21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There are no significant / material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

22. INTERNAL FINANCIAL CONTROLS & THEIR ADEQUACY:

Your Company's internal control systems with reference to financial statements commensurate with the nature and size of its business operations. Your Company has adequate internal financial controls in place to ensure safeguarding of its assets, prevention of frauds and errors, protection against loss from unauthorized use or disposition and the transactions are authorised, recorded and reported diligently in the Financial Statements.

23. CORPORATE SOCIAL RESPONSIBILITY

CSR related provisions of the Companies act, 2013 do not apply to the Company as the Company does not meet profit, turnover or net worth criteria prescribed in this regard.

24. DISCLOSURE ON WOMEN AT WORKPLACE:

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. During the year under review, no case was reported in this regard.

25. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is in the process of establishing a vigil mechanism / whistle blower policy.

26. SUBSIDIARIES / ASSOCIATES / JOINT VENTURES

The Company does not have any subsidiary or associate company or joint venture.

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27. KEY MANAGERIAL PERSONNEL:

The Board would like to inform that necessary steps are being taken for the appointment of relevant managerial personnel.

28. NOMINATION & REMUNERATION COMMITTEE;

The Board is in the process of constituting Nomination & the Remuneration Committee.

29. ACKNOWLEDGEMENT:

The Directors wish to express their sincere gratitude to APRDC, the State Government, lenders and employees for their continued co-operation and assistance.

For and on behalf of the Board
Rajahmundry Godavari Bridge Limited

PBSabnis
Poonam Sabnis
Director
DIN: 07706230

ASC

Kaushik Chaudhuri
Director
DIN: 06757692

Place: Mumbai
Date: 04/09/2018

ANNEXURE I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U45203MH2008PLC185941
ii.	Registration Date	19.08.2008
iii.	Name of the Company	Rajahmundry Godavari Bridge Limited
iv.	Category / Sub-Category of the Company	Company Limited by shares / Indian Non-Government Company
v.	Address of the Registered office and contact details	Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025. Phone no.: (022) 6748 7200.
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	N. A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Construction and maintenance of motorways, streets, roads, other vehicular and pedestrian ways, highways, bridges, tunnels and subways	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	Gammon Infrastructure Projects Limited Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025. Phone no.: (022) 6748 7200	L45203MH2001PLC131728	Holding Company	75.28%	Section 2(46)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	15,35,37,645	5	15,35,37,650	75.28	15,35,37,645	5	15,35,37,650	75.28	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1)	15,35,37,645	5	15,35,37,650	75.28	15,35,37,645	5	15,35,37,650	75.28	-
2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total Promoter Shareholding (A)=(A)(1)+(A)(2)	15,35,37,645	5	15,35,37,650	75.28	15,35,37,645	5	15,35,37,650	75.28	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	4,99,80,000	-	4,99,80,000	24.50	4,99,80,000	-	4,99,80,000	24.50	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	4,99,80,000	-	4,99,80,000	24.50	4,99,80,000	-	4,99,80,000	24.50	-
2. Non Institutions									
a) Bodies Corp.	4,41,250	-	4,41,250	0.22	4,41,250	-	4,41,250	0.22	-

(i) Indian (ii) Overseas									
b) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others(Specify)	-	-	-	-	-	-	-	-	-
	4,41,250	-	4,41,250	0.22	4,41,250	-	4,41,250	0.22	-
Sub-total (B)(2)									
	5,04,21,250	-	5,04,21,250	24.72	5,04,21,250	-	5,04,21,250	24.72	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	20,39,58,895	6	20,39,58,900	100	20,39,58,895	5	20,39,58,900	100	-

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Gammon Infrastructure Projects Ltd.	15,35,37,650	75.28	68.90	15,35,37,650	75.28	68.90	-
	Total	15,35,37,650	75.28	68.90	15,35,37,650	75.28	68.90	-

iii. Change in Promoters' Shareholding (please specify, if there is no change: N.A.)

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
-	Date wise Increase / Decrease in Promoters Shareholding during	-	-	-	-

	the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year	-	-	-	-

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs): N.A.

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders IFCI Limited				
	At the beginning of the year	4,99,80,000	24.50	4,99,80,000	24.50
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	4,99,80,000	24.50	4,99,80,000	24.50

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders Gammon India Limited				
	At the beginning of the year	4,41,250	0.22	4,41,250	0.22
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	4,41,250	0.22	4,41,250	0.22

v. Shareholding of Directors and Key Managerial Personnel: N.A.

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors & KMP				
	Directors				

At the beginning of the year	-	-	-	-
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
At the End of the year	-	-	-	-

V.INDEBTEDNESS

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

	Secured Loans excluding deposits (Rs. in Lakhs)	Unsecured Loans	Deposits	Total Indebtedness (Rs. in Lakhs)
Indebtedness at the beginning of the financial year (01-Apr-2016)				
i) Principal Amount	64,929.00	-	-	64,929.00
ii) Interest due but not paid	6,742.82	-	-	6,742.82
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	71671.82			71671.82
Change in Indebtedness during the financial year				
- Addition	11987.48			11987.48
- Reduction	7030.51			7030.51
Net Change	24956.97			24956.97
Indebtedness at the end of the financial year (31-Mar-2017)				
i) Principal Amount	64929.00			64929.00
ii) Interest due but not paid	11,699.80			11,699.80
iii) Interest accrued but not due	-			-
Total (i+ii+iii)	76,628.80			76,628.80

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1.	Gross salary					

	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
2.	Stock Option					
3.	Sweat Equity					
4.	Commission - as % of profit - others, specify...					
5.	Others, please specify					
	Total (A)					
	Ceiling as per the Act					

B. Remuneration to other directors: NIL

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	<u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify					
	Total (1)					
	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD: N.A.

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit				

	- others, specify...				
5.	Others. please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: N.A.

Type	Section of the Companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board
Rajahmundry Godavari Bridge Limited

P Sabnis

Poonam Sabnis
Director
DIN: 07706230

K

Kaushik Chaudhuri
Director
DIN: 06757692

Place: Mumbai
Date: 04/09/2018

Veeraraghavan.N
Practising Company Secretary

First Maritime Private Limited
201, Gheewala Building
M.P. Road, Mulund – East
Mumbai 400081
Mob: 9821528844
Email : nvr54@ymail.com

Form No. MR – 3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2018

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

To
The Members,
Rajahmundry Godavari Bridge Limited
(CIN : U45203MH2008PLC185941)

I, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rajahmundry Godavari Bridge Limited, (hereinafter called the Company) (CIN : U45203MH2008PLC185941) . 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 of the books, papers, minute books, forms and return filed and other records maintained by the Company and also the information provided by the Company and its officers, 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 complied with the statutory provisions listed hereunder (wherever applicable) and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i). The Companies Act, 2013 (the “Act”) and the rules made thereunder;
- (ii). The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- (iii). The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv). The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - (h) SEBI (Share Based Employee Benefits) Regulations, 2014.
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations , 2015

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

- (j) Secretarial Standard issued by The Institute of Company Secretaries of India.
- (k) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited. — *The Company being an unlisted public company, the listing agreements are not applicable to the Company.*

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:

- 1. The Company has not appointed any KMP, as envisaged in Section 203 of the Act.**
- 2. The Board composition is not as per Section 149 of the Act and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.**



3. The Company has not constituted any -Nomination & Remuneration Committee. The Composition of the Audit Committee is not as per Section 177 of the Act. Also the Company has not established any Vigilance Mechanism for their Directors and Employees.


I further report that:

The Board of Directors of the Company is not duly constituted

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through, while the dissenting members' views (if any) are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and insure compliance with applicable laws, rules, regulations and guidelines.


Veeraraghavan N.
ACS No: 6911
CP NO : 4334



Place : Mumbai
Date: 8th June, 2018

G. M. KAPADIA & CO.
(REGISTERED)

CHARTERED ACCOUNTANTS

1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA

PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

**Independent Auditor's Report
TO THE MEMBERS OF RAJAHMUNDRY GODAVARI BRIDGE LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **RAJAHMUNDRY GODAVARI BRIDGE LIMITED** ("the Company"), which comprise the Balance Sheet as on March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

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

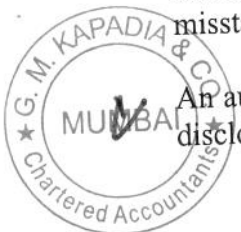
Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the



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

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

Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to note no. 30 to the financial statements in respect of present status of the toll project at Rajahmundry Godavari Bridge across river Godavari which inter alia states that the Company has inadequate cash flow from operations to meet the debt / interest servicing obligations under loan agreements with the Lenders. Based on what have been set forth in the said note, there is a material uncertainty that cast significant doubt on the Company's ability to continue as a going concern. However, as stated in the said note, the management is hopeful of favorable outcome of the ongoing discussions with Andhra Pradesh Road Development Corporation (APRDC) and other developments which will make the project a viable project.

Our opinion is not qualified in respect of this matters.

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 of India in terms of section 143(11) of the Act, we give in 'Annexure I' a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit, 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 (including other comprehensive income), the Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with rules issued thereunder and the relevant provision of the Act;
- (e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the Internal Financial Controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' and
- (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, as amended by the Companies (Audit and Auditors) Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us :
- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 25 to the standalone financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Regn No. : 104767W



Rajen Ashar

Rajen Ashar
Partner

Membership No. 048243

Place : Mumbai
Date : June 9, 2018

Annexure I referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its property, plant and equipment (Fixed Assets).
- (b) According to the information and explanations given to us, the property, plant and equipment are physically verified by the management at reasonable intervals and any material discrepancies noticed on such verification have been properly dealt with in the books of accounts.
- (c) According to the information and explanations given to us, the title deeds of immovable properties, as disclosed in Note no. 3 to the standalone financial statements, are held in the name of the Company.
- (ii) The company is not a manufacturing company, hence paragraph 3(ii) of the Order is not applicable.
- (iii) The Company has not granted loans, secured or unsecured, to companies, firms, and limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Hence, the question of reporting under sub clauses (a), (b) & (c) of the clause 3(iii) of the Order does not arise.
- (iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has not made any investments or has not provided any guarantee or security to the parties covered under section 186 of the Act. Hence, the question of reporting under clause 3(iv) of the Order does not arise.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions contained in sections 73 to 76 or any other relevant provisions of the Act and Rules framed there under, are not applicable to the Company. We are informed by the Management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in this regard.
- (vi) We have broadly reviewed accounts and records maintained by the Company pursuant to rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act, in respect of Company's products to which the said rules are made applicable and are of the opinion that, prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of records with a view to determine whether they are accurate.
- (vii) (a) According to the information and explanations provided to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods and Service Tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues with the appropriate authorities. No undisputed statutory dues payable were in arrears as at March 31, 2018, for a period of more than six months from the date they became payable.



G. M. KAPADIA & CO.

- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, excise duty and cess, which have not been deposited on account of any dispute.
- (viii) Based on our audit procedures and as per the information and explanations given by the management, the bank term loan accounts of the Company is classified as non performing. Hence, the bank has stopped charging interest on the loan. The Company has calculated Rs. 11,960.79 lacs as amount of default in repayment of dues to the banks along with interest as on March 31, 2018. There is delay of more than 365 days as on the Balance Sheet date. The Company has not raised any funds through debentures.
- (ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). According to the information and explanations given to us and on the basis of the records examined by us, we state that the Company has prima facie applied the term loan for the purpose for which it was obtained.
- (x) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the period by the Company.
- (xi) The Company has not paid any managerial remuneration to any of its directors. Hence this clause is not applicable.
- (xii) The Company is not a chit fund or a Nidhi company. Hence, the question of reporting under clause 3(xii) of the Order does not arise.
- (xiii) The Company has complied with the provisions of sections 177 and 188 of the Act in respect of transactions with the related parties and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him covered under the provisions of section 192 of the Act.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For G. M. Kapadia & Co.

Chartered Accountants

Firm Regn No. : 104767W



Rajen Ashar
Rajen Ashar

Partner

Membership No. 048243

Place : Mumbai

Date : June 9, 2018

Annexure II to our report of even date

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 with reference to Financial Statements of **RAJAHMUNDRY GODAVARI BRIDGE LIMITED** (‘the Company’) as of March 31, 2018 in conjunction with our audit of the standalone 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 with reference to Financial Statements 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 Act

Auditors’ Responsibility

Our audit of Internal Financial Controls with reference to Financial Statements includes assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company’s Internal Financial Controls with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s Internal Financial Control over Financial Reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Financial Statements in



accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of Internal Financial Controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the Internal Financial Control with reference to Financial Statements 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 with reference to Financial Statements and such Internal Financial Controls with reference to Financial Statements were operating effectively as on March 31, 2018, based on the 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.

For G. M. Kapadia & Co.
Chartered Accountants

Firm's Registration No: 104767W



A handwritten signature in black ink, appearing to read "Rajen Ashar".

Rajen Ashar
Partner

Membership No: 048243

Place : Mumbai
Dated: June 9, 2018

RAJAHMUNDRY GODAVARI BRIDGE LIMITED
CIN: U45203MH2008PLC185941
BALANCE SHEET AS AT MARCH 31, 2018

(Rs in lacs)

Particulars	Notes	As on 31.03.2018	As on 31.03.2017
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	20.79	24.38
(b) Other Intangible assets	4	1,03,231.50	1,05,250.20
(c) Intangible Assets Under Development	5	185.26	164.32
(d) Financial Assets		-	-
(i) Others	6	9.43	10.24
(e) Other Non-current assets	7	2,584.22	2,928.02
Total Non - Current Assets (A)		1,06,031.20	1,08,377.16
(2) Current Assets			
(a) Financial Assets			
(i) Trade Receivables	8	93.63	-
(i) Cash and cash equivalents	9	668.09	534.65
(ii) Others	6	-	-
(b) Other current assets	7	1,161.97	1,164.21
Total Current Assets (B)		1,923.69	1,698.86
Total Assets (A+B)		1,07,954.89	1,10,076.02
EQUITY & LIABILITIES			
Equity			
(a) Equity Share capital	10	20,395.89	20,395.89
(b) Other Equity	11	(11,201.85)	(3,294.41)
Total Equity (A)		9,194.04	17,101.48
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12.1	63,694.00	64,668.00
(b) Provisions	13	1,406.89	396.25
(c) Grant	14	19,213.87	19,879.24
(d) Deferred Tax Liability (Net)	15	-	-
Total Non-Current Liabilities (B)		84,314.77	84,943.49
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	16	75.56	50.73
(ii) Other financial liabilities	12.2	13,701.85	7,585.55
(b) Other current liabilities	17	3.03	4.38
(c) Provisions	13	0.29	0.19
(d) Grant	14	665.36	390.19
Total Current Liabilities (C)		14,446.09	8,031.05
TOTAL EQUITY AND LIABILITIES (A+B+C)		1,07,954.89	1,10,076.02

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For G.M. Kapadia & Co.
Chartered Accountants
Firm Registration No. : 104767W


Rajen Ashar
Partner
Membership No. : 48243



Place : Mumbai
Date : 9th June 2018

For and behalf of the Board of Directors of
Rajahmundry Godavari Bridge Limited


Sanjay Chaudhary
DIN : 07225453


Poonam Sabnis
DIN : 7706230

Place : Mumbai
Date : 9th June 2018

RAJAHMUNDRY GODAVARI BRIDGE LIMITED
CIN: U45203MH2008PLC185941
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31.03.2018

(Rs in lacs)

Particulars	Note Ref	For year ended March 31, 2018	For year ended March 31, 2017
I Revenue from Operations (Gross):	18	5,788.96	5,069.59
Revenue from Operations		5,788.96	5,069.59
II Other Income:	19	390.40	344.34
III Total Revenue (I + II)		6,179.36	5,413.93
IV Expenses:			
EPC, Tolling and Maintenance Expenses	20	1,482.13	653.95
Employee Cost	21	69.30	56.73
Finance Charges	22	10,260.72	9,255.14
Depreciation and amortisation expense	3 & 4	2,022.37	1,774.56
Administrative Expenses	23	252.47	143.77
Total Expenses		14,086.99	11,884.14
V Profit Before Tax (III-IV)		(7,907.63)	(6,470.22)
VI Tax Expense		-	-
1. Current Tax		-	-
2. Deferred Tax		-	-
VII Profit for the period (V-VI)		(7,907.63)	(6,470.22)
VIII Other Comprehensive Income (net of tax)		-	-
Remeasurement of defined benefit plans		0.18	(0.12)
IX Total Comprehensive Income (VII + VIII)		(7,907.45)	(6,470.33)
X Earnings per Equity Share (face value Rs. 10):			
Basic & Diluted	24	(3.88)	(3.17)

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For G.M. Kapadia & Co.
Chartered Accountants
Firm Registration No. : 104767W


Rajen Ashar
Partner
Membership No. : 48243



Place : Mumbai
Date : 9th June 2018

For and behalf of the Board of Directors of
Rajahmundry Godavari Bridge Limited


Sanjay Chaudhary
DIN : 07225453


Poonam Sabnis
DIN : 7706230

RAJAHMUNDRY GODAVARI BRIDGE LIMITED
CIN: U45203MH2008PLC185941
CASH FLOW STATEMENT FOR YEAR ENDED MARCH 31, 2018

(Rs in lacs)

Partiulars	Year ended March 31,	
	2018	2017
Cash flow from operating activities		
Profit Before Tax	(7,907.63)	(6,470.22)
Profit before income tax including discontinued operations	-	-
Non-cash Adjustment to Profit Before Tax:		
Depreciation and amortization expense	2,022.37	1,774.56
Deferred gurantee commission	323.64	324.29
Construction margin recognised as per Ind AS 11	-	(1.63)
Remeasurement of defined benefit plans	0.18	(0.12)
Upfront fees amortisation	27.51	19.38
Grant amortisation	(390.19)	(342.27)
Finance costs	9,909.57	8,911.47
Change in operating assets and liabilities :		
Decrease/ (increase) in trade receivables	(93.63)	-
Decrease/ (increase) in financial Assets	0.81	426.01
Decrease/ (increase) in Other assets	2.24	(263.09)
Decrease/ (increase) in trade payable	24.82	(23.38)
(Decrease) / increase in financial liabilities	185.33	17.59
(Decrease) / increase in Non- financial liabilities	(1.36)	4.38
(Decrease) / increase in provisions	1,010.74	290.52
Cash generated from operations	5,114.41	4,667.49
Direct taxes paid (net of refunds)	(7.34)	16.90
Net cash flow from/(used in) operating activities (A)	5,107.08	4,684.39
Cash flow from investing activities		
Purchase of property, plant and equipment	(0.09)	-
Payments towards intangible asset under development and capital advances	(20.94)	(162.70)
Net cash flow from/(used in) investing activities (B)	(21.03)	(162.70)
Cash flows from financing activities		
Proceeds from Grants received	0.00	0.00
Repayment of borrowings	-	(120.79)
Interest paid	(4,952.61)	(3,945.20)
Net cash flow from/(used in) in financing activities (C)	(4,952.61)	(4,065.99)
Net increase/(decrease) in cash and cash equivalents (A+B+ C)	133.44	455.71
Cash and cash equivalents at the beginning of the year	534.65	78.94
Cash and cash equivalents at the end of the year	668.09	534.65
Reconciliation of cash and cash equivalents as per the cash flow statement :		
Cash and cash equivalents	668.09	534.65
Bank overdrafts	-	-
Balance as per the cash flow statement :	668.09	534.65

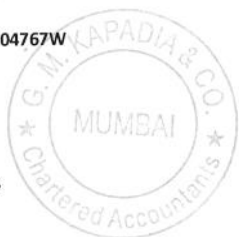
The cash flow statement is prepared as per indirect method
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. : 104767W


Rajen Ashar
Partner
Membership No. : 48243

Place : Mumbai
Date : 9th June 2018



For and on behalf of the Board of Directors
Rajahmundry Godavari Bridge Limited


Sanjay Chaudhary
DIN : 07225453


Poonam Sabnis
DIN : 7706230

Place : Mumbai
Date : 9th June 2018

RAJAHMUNDRY GODAVARI BRIDGE LIMITED
CIN: U45203MH2008PLC185941
Statement of changes in equity for the year ended March 31, 2018

A Share Capital

(Rs in lacs)

Particulars	Number of Shares	Amount	Number of Shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid				
Balance at the beginning of the reporting period	20,39,58,900	20,395.89	20,39,58,900	20,395.89
Changes in equity share capital during the year				
- issued during the reporting period				
Balance at the end of Reporting period	20,39,58,900	20,395.89	20,39,58,900	20,395.89

B Other equity

Particulars	Capital Contribution	Retained Earnings	Other Comprehensive Income	Amount
Balance as at 31 March 2016	5,438.28	(2,264.17)	1.81	3,175.92
Profit for the year		(6,470.22)		(6,470.22)
Adjustments :				-
Remeasurement on Actuarial Gain/Loss			(0.12)	(0.12)
Balance as at 31 March 2017	5,438.28	(8,734.38)	1.69	(3,294.41)
Profit for the year		(7,907.63)		(7,907.63)
Adjustments :				-
Remeasurement on Actuarial Gain/Loss			0.18	0.18
Balance as at 31 March 2018	5,438.28	(16,642.01)	1.87	(11,201.85)

Retained earnings:

It represents profits remaining after all appropriations. This is free reserve and can be used for distribution of profits.

Capital Contribution:

This represents equity portion of Inter Corporate Deposits which is treated as quasi equity.

Other Comprehensive income:

It represents remeasurement of defined benefit plans.

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For G.M. Kapadia & Co.
Chartered Accountants
Firm Registration No. : 104767W


Rajen Ashar
Partner
Membership No. : 48243



Place : Mumbai
Date : 9th June 2018

For and behalf of the Board of Directors of
Rajahmundry Godavari Bridge Limited


Sanjay Chaudhary
DIN : 07225453


Poonam Sabnis
DIN : 7706230

RAJAHMUNDRY GODAVARI BRIDGE LIMITED
CIN: U45203MH2008PLC185941
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO
FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

1 A. Corporate profile

Rajahmundry Godavari Bridge Limited (RGBL) was incorporated under the Companies Act, 1956, on August 19, 2008 to develop, maintain, operate a 4-lane major bridge across river Godavari including its approaches starting at km. 82/4 of Eluru-Gundugolanu-Kovvur Road on Kovvur side and joining at km. 197/4 on Rajahmundry side on NH-5 in the state of Andhra Pradesh on Build-Operate-Transfer (BOT) basis. The Company has entered into a concession agreement for a period of 25 year's on November 5, 2008 with Andhra Pradesh Road Development Corporation. Company in exchange has received right to collect toll for a period of 25 years from appointed date.

Authorization of financial statements:

The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors on 9th June, 2018

B. Basis of Preparation

The financial statements of the Company are consistently prepared and presented under historical cost convention on an accrual basis in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards specified under section 133 of the Companies Act, 2013 ("the Act") read together with rules framed thereunder and the relevant provisions of the Act. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions & other requirements specified in the applicable Accounting Standards.

The Financial Statements are prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value (refer note 33).

The standalone financial statements are presented in INR and all values are rounded to the nearest Rupees in lacs, except otherwise stated.

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company and other criteria set out in the Schedule III to the Companies Act, 2013. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Fair value measurements of financial instruments
- Useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligation, key actuarial assumptions;
- Provisions and Contingencies;
- Impairment of intangible assets;
- Evaluation of recoverability of deferred tax assets and
- Percentage of margin on construction cost

A

Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

2 Significant Accounting Policy

a) Revenue Recognition

i) Construction contract revenues :

Construction contract revenue is recognised based on percentage completion accounted at the fair value for service rendered

ii) Toll income :

Toll revenue from operations of toll roads is recognised on usage and recovery of the usage charge thereon

iii) Interest income:

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

iv) Dividend income:

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

b) Property, Plant and Equipment (PPE)

i) Freehold lands are carried at historical cost. Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. upto the date the asset is ready for its intended use.

ii) Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit and Loss on consumption.

iii) Borrowing costs on Property, Plant and Equipments are capitalised when the relevant recognition criteria specified in Ind AS 23 Borrowing Costs is met.

iv) Decommissioning costs, if any, on Property, Plant and Equipment are estimated at their present value and capitalised as part of such assets.

v) Depreciation on property, plant and equipment is charged on straight line method over the useful life of assets at the rates and in the manner provided in Schedule II of the Companies Act 2013 for the proportionate period of use during the year. Depreciation on assets purchased /installed during the year is calculated on a pro-rata basis from the date of such purchase /installation.
The Company has assessed the estimated useful lives of its property, plant and equipment and has adopted the useful lives and residual value as prescribed in Schedule II.

vi) The Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components have been assessed based on the historical experience and internal technical inputs.

vii) Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.

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

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

4

- c) Intangible assets
- i) The tolling rights received in exchange for the Construction Service rendered to the grantor of tolling rights are recognized as an intangible asset as per the Concession agreement. Intangible assets is recognised at cost of construction. Cost include direct costs of construction of the project asset and related to the construction activity. Costs incidental to the construction activity, including financing costs on borrowing attributable to construction of the project asset, have been capitalised to the project asset till the date pre Commercial Operation Date (COD) certificate. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- ii) Intangible assets are amortised over the concession period from the date of capitalization. The toll concession rights are being amortised over the traffic count projected by the company as per the provisions of the concession agreement.
- iii) Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.
- iv) The expenditure incurred on the development of intangible asset is classified as Intangible Asset Under Development .
- d) Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.
- e) Impairment
At each balance sheet date, an assessment is made of whether there is any indication of impairment. If indication exists, assets are tested for impairment provided that an event or change in circumstances indicates that their carrying amount might not be recoverable. An impairment loss is recognized in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher between an asset's fair value less sale costs and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest level for which there are separately identifiable cash flows (cash-generating units).
- f) Government grant :
Government grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the government grant relates to an asset, the asset and grant are recorded at fair value. Grant is recognised in statement of profit and loss as income based on projected traffic numbers over the expected useful life of the related asset.
- g) Non-current assets held for sale :
Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.
Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets.
Non current assets are not depreciated or amortized once classified as held for sale.
- h) Service concession arrangement :
The Company recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognition of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition the intangible asset is measure at cost, less any accumulated amortisation and accumulated impairment losses.

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- i) **Inventories**
Inventories are valued at the lower of cost and net realisable value.
a) Stores and materials are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price less estimated cost necessary to make the sale. The weighted average method of inventory valuation is used to determine the cost.
b) Stores and spares which do not meet the recognition criteria under Property, Plant and Equipment are valued at weighted average cost. Surplus, obsolete and slow moving stores and spares, if any, are valued at cost of net realizable value whichever is lower. Surplus items, when transferred from completed projects are valued at cost / estimated value, pending periodic assessment / ascertainment of condition. Stores and Spares in transit are valued at cost.
- j) **Taxation**
Income tax expense comprises of current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively
- i) **Current Tax**
Current tax expense is determined as the amount of tax payable in respect of taxable income for the year.
Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the time of reporting.
- ii) **Deferred Tax**
Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.
Deferred tax liabilities are recognised for all taxable temporary differences.
Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.
- k) **Earnings per share**
Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.
- l) **Provisions, Contingent Liabilities and Contingent Assets**
- i) **Provisions**
The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- ii) **Contingent liabilities**
Contingent liabilities are disclosed in the case of:
- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
 - a present obligation arising from the past events, when no reliable estimate is possible;
 - a possible obligation arising from past events, unless the probability of outflow of resources is remote.
- iii) **Contingent assets**
Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

m) Employee Benefits

i) Short-term obligations :

Short-term employee benefits (benefits which are payable within twelve months after the end of the period in which employees render service) are measured at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

ii) Post-employment obligations :

Retirement benefit in the form of gratuity is a defined benefit plan. Gratuity is measured on a discounted basis by projected Unit Credit Method provided on the basis of an actuarial valuation made at the end of each period.

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less fair value of plan assets.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they incur, immediately in Other Comprehensive Income. They are included in Other Comprehensive Income in the statement of changes in equity and in the Balance Sheet. Remeasurements are not reclassified to profit or loss in subsequent periods.

The net interest expense or income is included in employee benefit expense in the Statement of Profit and Loss.

iii) Other long-term employee benefit obligations :

The eligible employees can accumulate un-availed privilege leave and are entitled to encash the same either while in employment, on termination or on retirement in accordance with the Company's policy. The present value of such un-availed leave is measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting date. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

n) Financial instruments

Financial Assets & Financial Liabilities

Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

A Non-derivative financial instruments

Subsequent measurement

i) Financial assets carried at amortised cost :

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income :

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii) Financial assets at fair value through profit or loss :

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

iv) Derecognition:

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

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

- v) **Impairment of financial assets**
In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets.

- vi) **Financial liabilities**

Borrowings:

Borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender has agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

- vii) **Derecognition**

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

- viii) **Offsetting of financial instruments**

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

- O **Leases**

Operating lease

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are operating lease. Operating lease payments, as per terms of the agreement, are recognised as an expense in the statement of profit and loss on a straight line basis in accordance with INDAS 17.

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RAJAHMUNDRY GODAVARI BRIDGE LIMITED
CIN: U45203MH2008PLC185941
Notes to financial statements as at and for the year ended March 31, 2018

3 Property, Plant & Equipment

(Rs in lacs)

Particulars	Land	Plant & Machinery	Office Equipment	Furniture & Fixtures	Computers	Motor Car	Total
(Owned assets)							
Cost							
As at April 1, 2016	8.20	10.59	0.09	2.96	3.46	16.29	41.58
Additions	-	-	-	-	-	-	-
Sales/Disposals	-	-	-	-	-	-	-
As at March 31, 2017	8.20	10.59	0.09	2.96	3.46	16.29	41.58
Additions	-	-	0.09	-	-	-	0.09
Sales/Disposals	-	-	-	-	-	-	-
As at March 31, 2018	8.20	10.59	0.17	2.96	3.46	16.29	41.66
Depreciation							
As at April 1, 2016	-	0.48	0.09	0.24	3.03	9.59	13.42
Additions	-	0.71	-	0.30	0.27	2.50	3.78
Sales/Disposals	-	-	-	-	-	-	-
As at March 31, 2017	-	1.18	0.09	0.54	3.30	12.09	17.20
Additions	-	0.71	-	0.30	0.16	2.50	3.67
Sales/Disposals	-	-	-	-	-	-	-
As at March 31, 2018	-	1.89	0.09	0.84	3.46	14.60	20.87
Net Block							
As at March 31, 2016	8.20	10.11	-	2.72	0.43	6.70	28.15
As at March 31, 2017	8.20	9.41	-	2.42	0.16	4.20	24.38
As at March 31, 2018	8.20	8.70	0.09	2.12	-	1.69	20.79

¹ Freehold land with a carrying amount of Rs. 8.20 lacs (as at March 31, 2017: Rs.8.20 lacs) have been pledged to secure borrowings. The freehold land have been pledged as security for bank loans under a mortgage. Plant and equipment with a carrying amount of Rs. 12.60 lacs (as at 2017: Rs. 16.18 lacs) have been pledged to secure loans (see note 12).

4 Intangible assets

Particulars	Project Asset	Total
Cost		
As at April 1, 2016	1,07,762.36	1,07,762.36
Additions	-	-
Sales/Disposals	-	-
As at March 31, 2017	1,07,762.36	1,07,762.36
Additions	-	-
Sales/Disposals	-	-
As at March 31, 2018	1,07,762.36	1,07,762.36
Amortisation		
As at April 1, 2016	741.38	741.38
Additions	1,770.78	1,770.78
Sales/Disposals	-	-
As at March 31, 2017	2,512.16	2,512.16
Additions	2,018.70	2,018.70
Sales/Disposals	-	-
As at March 31, 2018	4,530.86	4,530.86
Net Block		
As at March 31, 2017	1,05,250.20	1,05,250.20
As at March 31, 2018	1,03,231.50	1,03,231.50

5 Intangible assets under development

Particulars	As at 31-Mar-18	As at 31-Mar-17
Contract expenditure - Engineering, Procurement & Construction ('EPC')	185.26	164.32
Total intangible assets under development	185.26	164.32

The amount of borrowing costs capitalised during the period is Nil (2017: Nil).

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RAJAHMUNDRY GODAVARI BRIDGE LIMITED
CIN: U45203MH2008PLC185941
Notes to financial statements as at and for the year ended March 31, 2018
All figures are Rs in lacs, unless otherwise stated

	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Non- Current		Current	
6 Other Financial Assets <i>(Unsecured, Considered good)</i>				
Security Deposit				
- Security Deposit for Electricity	9.38	10.20	-	-
- Others	0.05	0.05	-	-
	9.43	10.24		
Total	9.43	10.24	-	-

	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Non- Current		Current	
7 Other assets				
Prepaid upfront fees	145.43	172.94		
Deferred Guarantee Commission	2,252.97	2,576.60		
Advance given to contractor - Gammon Engineers and Contractors Private Limited (Earlier Gammon India Limited)(Refer note 29)	-	-	1,145.89	1,145.89
Advances recoverable in cash or kind	-	-	0.02	-
Advance taxes (Net of Provision)	185.82	178.48		
Prepaid Expenses			3.65	0.47
Others			12.40	17.85
Total	2,584.22	2,928.02	1,161.97	1,164.21

	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Non- Current		Current	
8 Trade Receivables <i>(Unsecured, at amortised cost)</i>				
i) Considered good			93.63	-
ii) Considered doubtful			-	-
Less:- Provision for doubtful debt			-	-
Total			93.63	-

	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Non- Current		Current	
9 Cash and Bank Balances				
Cash and cash equivalents				
i) Balances with banks (escrow accounts)			647.34	517.27
ii) Cash on hand			20.75	17.38
Total			668.09	534.65
Note: As per agreement with bankers, toll collected by the Company will be appropriated by bankers towards their dues and will provide a part of toll amount towards maintenance and day to day operation of the project.				

	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Non- Current		Current	
10 Equity Share capital				
i) Authorised shares :				
204,000,000 (March 31, 2017: 204,000,000) Equity shares of Rs 10/- each	20,400.00	20,400.00	20,400.00	20,400.00
Total	20,400.00	20,400.00		
ii) Issued, subscribed & fully paid up shares :				
March 31, 2018 : 203,958,900 Equity shares of Rs 10/- each	20,395.89	20,395.89	20,395.89	20,395.89
March 31, 2017 : 203,958,900 Equity Shares of Rs 10/each	20,395.89	20,395.89	20,395.89	20,395.89
Total	20,395.89	20,395.89	20,395.89	20,395.89

	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2017	March 31, 2017
	Number	Amount	Number	Amount
a) Reconciliation of the equity shares outstanding at the beginning and at the end of the period				
Balance, beginning of the period	20,39,58,900.00	20,395.89	20,39,58,900.00	20,395.89
Add : Movement during the year	-	-	-	-
Balance, end of the period	20,39,58,900.00	20,395.89	20,39,58,900.00	20,395.89

b) Terms / rights attached to equity shares
The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividend in the proportion of their shareholding. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

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c) Shares held by holding / ultimate holding company and /or their subsidiaries / associates

Out of equity shares issued by the Company, shares held by its holding / ultimate holding Company and /or their subsidiaries / associates are as follows:

	As at			
	March 31, 2018 Number	March 31, 2018 Amount	March 31, 2017 Number	March 31, 2017 Amount
Equity shares of Rs. 10/- each fully paid up				
Gammon India Limited, Ultimate Holding Company	-	-	4,41,250	44.13
Gammon Infrastructure projects limited('GIPL'), Holding Company	15,35,37,650	15,353.77	15,35,37,650	15,353.77

d) Details of shareholders holding more than 5% shares in the Company

	March 31, 2018		March 31, 2017	
	Number	%	Number	%
Gammon Infrastructure projects limited('GIPL'), Holding Company	15,35,37,650	75.28	15,35,37,650	75.28
IFCI Limited	4,99,80,000	24.50	4,99,80,000	24.50

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders, the above shareholding represents legal ownerships of the shares.

11 Other Equity

	As at	
	March 31, 2018	March 31, 2017
i) Retained Earnings	(16,642.01)	(8,734.38)
ii) Capital contribution	5,438.28	5,438.28
iii) Other Comprehensive Income	1.87	1.69
	(11,201.85)	(3,294.41)

12 Financial Liabilities

	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Non- Current		Current Maturities	
12.1 Borrowings				
ii) Term loan from banks	63,694.00	64,668.00	1,235.00	261.00
Less: disclosed in Other Current Liabilities	-	-	(1,235.00)	(261.00)
	63,694.00	64,668.00	-	-

The break-up of above:

Secured	63,694.00	64,668.00	1,235.00	261.00
Unsecured	-	-	-	-
	63,694.00	64,668.00	1,235.00	261.00

Term Loans

The Loan together with all, interest, additional interest, liquidated damages, premium on pre payment, costs, expenses and other monies whatsoever stipulated in the Loan Agreement ("Secured Obligations") shall be secured by:-

- a first mortgage and charge on all the Company's immovable properties, both present and future;
- a first charge by way of hypothecation of all the Company's tangible moveable assets, including, moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future;
- a first charge on Company's receivables;
- a first charge over all bank accounts of the Company including without limitation, the Escrow Account, the Debt Services Reserve Account, the Retention Accounts (or any account in substitution thereof) and such other bank accounts that may be opened in terms hereof and of the Project Documents and in all funds from time to time deposited therein and in all Authorised Investments or other securities representing all amounts credited thereto save and except the sums lying to the credit of the Distributions Sub-Account and the gains and profits arising out of the Authorised Investments or investments made in any other securities from the Distribution Sub-Account.
- a first charge on all intangibles of the Company including but not limited to goodwill, rights, undertaking's and uncalled capital, present and future;
- a first charge by way of assignment or otherwise creation of Security
 - all the right, title, interest, benefits, claims and demands whatsoever of the Company in the Project Documents, duly acknowledged and consented to by the relevant counter-parties to such Project Documents to the extent not expressly provided in each such Project Document, all as amended, varied or supplemented from time to time;
 - the right, title and interest of the Borrower by way of first charge in, to and under all the Government Approvals;
 - all the right, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents;
 - all insurance contracts/ insurance proceeds;
- Pledge of 51% of equity shares of the Company presently held by Gammon Infrastructure Projects Limited.
- Corporate Guarantee of the Sponsor:
 - to cover the aggregate principal amounts of the loans in the event of termination of the Concession of the agreement pursuant to occurrence of any Concessionaire Default during the Construction Period, which shall stand discharged upon occurrence of the COD.
 - to cover the shortfall in the DSRAs as stipulated in Article 2.23 (i).

	As at	
	March 31, 2018	March 31, 2017
Repayment within one year from the end of the financial year	1,235.00	261.00
Repayment beyond one year to five years from the end of the financial year	10,129.00	6,720.00
Repayment beyond five years from the end of the financial year	53,565.00	57,948.00
	64,929.00	64,929.00

The above mentioned long term loans carries interest rate of MCLR plus 280 basis points. The rate of interest is calculated based on the highest interest rate charged by any consortium bankers

4

The Company has entered into a Concession Agreement with Andhra Pradesh Road Development Corporation (APRDC) on 5th November 2008 for building a bridge and maintaining it for a period of 25 years on DBFOT basis on Rajahmundry side in state of Andhra Pradesh. As per the agreement, the total project cost was estimated at Rs. 86,110 lacs. The Company had availed a term loan of Rs. 56,600 lacs from the consortium of bankers. The project was due to be completed on 26th May 2012. However, the project got delayed for the reason, which is not attributable to the Company. Due to the delay in project, there was cost overrun thereby increasing the total project cost by Rs.17,215 lacs to Rs 103,325 lacs. In March 2015, the Consortium Bankers have restructured the said loan. As per the terms of the restructuring, the Company has received the additional funding from the consortium bankers to the extent of Rs.8,789 lacs. The Company is required to pay the initial loan with the additional loan in 168 monthly instalments with effect from April 2016 which Company has defaulted amounting to Rs 261 lacs (PY Rs 130 lacs). The regular Interest on the said loan has been serviced by the Company till December 2016. Thereafter, the term loan account of the Company has been classified as a Non performing Asset. However, the banks have not recalled the loans. Accordingly, the loans have been disclosed as a Non current Liability. The Company has defaulted in repayment of interest on its secured loan amounting to Rs. 11699.7 lacs (PY 6742.83 lacs) as on March 31, 2018.

12.2 Other Financial Liabilities (at amortised cost)

- i) Current maturities of Long Term Borrowings (Refer note 11.1)
Interest accrued and due to Banks

Dues to Related parties

- Gammon Infrastructure Projects Limited
- Sidhi Singrauli Road Projects Limited
- Vijayawada Gundugolanu Road Project Pvt Ltd
- Deposit for Directorship - GIPL
Other liabilities

Total

	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Non- Current		Current	
	-	-	1,235.00	261.00
			11,699.79	6,742.83
			308.74	329.50
			5.10	2.70
			5.92	5.88
			-	3.00
			447.30	240.64
Total	-	-	13,701.85	7,585.55

13 Long Term Provisions

- i) Provision for employee benefits :

- Leave Encashment
Gratuity

- ii) Provision for periodic maintenance

Total

	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Non- Current		Current	
	8.62	6.04	0.22	0.14
	2.64	1.82	0.07	0.05
	1,395.62	388.40	-	-
Total	1,406.89	396.25	0.29	0.19

Disclosure under IND AS 37 " Provisions, Contingent Liabilities and Contingent Assets"

Particulars	Opening	Addition	Utilisation	Closing
Provision for Project Obligations (Current Year)	388.40	1,007.22	-	1,395.62
Provision for Project Obligations (Previous Year)	101.83	286.57	-	388.40

Disclosure in accordance with Ind AS – 19 "Employee Benefits", of the

- a) Companies (Indian Accounting Standards) Rules, 2015.

The company has carried out the actuarial valuation of Gratuity and Leave Encashment liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits.

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to gratuity on departure from employment at an amount equivalent to 15 days salary (based on last drawn salary) for each completed year of service. The Company's gratuity liability is unfunded.

The following tables summarise the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet.

The changes in the present value of the defined benefit obligation are

- * as follows

Particulars	For year ended March 31,	
	2018	31, 2017
Defined benefit obligation at the beginning	1.87	1.01
Current service cost	0.14	0.40
Interest cost	0.53	0.08
Actuarial (Gain)/Loss	0.18	0.38
Less : Benefit paid	-	-
Defined benefit obligation at the end	2.72	1.87

- * Net employees benefit expense (recognized in Employee benefit cost)

Particulars	For year ended March 31,	
	2018	31, 2017
Current service cost	0.14	0.40
Interest cost	0.53	0.08
Total	0.67	0.48
Actuarial (gain)/loss - Trf to OCI	0.18	0.38

As the Company's gratuity obligation is fully unfunded, the Company does not expect to contribute any amounts to its gratuity plan in the next annual period.

4

* Sensitivity Analysis
A quantitative Sensitivity analysis for significant assumption

Particulars	Discount Rate		Salary Growth Rate	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Change in assumption	1%	1%	1%	1%
March 31, 2018	1%	1%	1%	1%
March 31, 2017				
Increase in assumption				
March 31, 2018		0.28		0.34
March 31, 2017		0.21		0.25
Decrease in assumption				
March 31, 2018		(0.33)		(0.29)
March 31, 2017		(0.25)		(0.22)

* Experience Adjustment

Particulars	As on		As on	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Experience adjustment on Plan Liability	0.24		0.07	

The principal assumptions used in determining the gratuity

* obligations are as follows:

Particulars	For year ended March 31,		For year ended March	
	2018	31, 2017	31, 2018	31, 2017
Discount rate	7.75%		7.50%	
Expected rate of return on plan assets	Not applicable		Not applicable	
Attrition rate	2.00%		2.00%	
Retirement age	60 years		60 years	
Salary Escalation	5%		5.00%	
Mortality rate	Indian Assured Lives Mortality 2006-08 (ultimate)			

	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Non- Current		Current	
14 Government Grants				
Government grant	19,213.87	19,879.24	665.36	390.19
Total	19,213.87	19,879.24	665.36	390.19

As per the terms of Concession Agreement, the Company was entitled to receive grant from the Government of Andhra Pradesh in the nature of equity support. The Company has accounted the same as liability as per IND AS 20 and amortized over period of concession.

15 Deferred Tax Liability

	As at	
	March 31, 2018	March 31, 2017
Deferred tax liability		
Depreciation due to timing difference	13,840.83	13,636.84
Deferred tax liability (A)	13,840.83	13,636.84
Deferred tax Asset		
Employee benefits	4.00	2.78
Interest	4,049.06	2,333.56
Grant received from APRDC	-	7,163.86
Business loss brought forward	9,787.76	4,136.65
Deferred tax Asset (B)	13,840.83	13,636.84
Net Liability	0.00	0.00

Note : Company has created deferred tax asset only to the extent of liability for both the years.

16 Trade Payables (at fair value)

	As at	
	March 31, 2018	March 31, 2017
i) Trade payables - Micro, small and medium enterprises	-	-
ii) Trade payables - Others	75.56	50.73
Total	75.56	50.73

a) Amounts due to Micro, Small and Medium Enterprises

As per the information available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Non- Current		Current	
17 Other Liabilities				
Duties and Taxes payable			3.03	4.38
Total	-	-	3.03	4.38

4

	For year ended March 31, 2018	For year ended March 31, 2017
18 Revenue from Operations		
i) Toll Revenue	5,674.39	4,905.26
EPC Income	20.94	164.32
Construction contract revenue - CoS	93.63	-
Total	5,788.96	5,069.59
a) The disclosures as per provisions of INDAS 11"Construction Contracts"		
Particulars	For year ended March 31, 2018	For year ended March 31, 2017
i) Contract revenue recognised for the period	20.94	164.32
ii) Aggregate amount of cost incurred as at the end of the financial period for all contracts in progress,	4,724.43	4,703.49
iii) Aggregate amount of income recognised as at the end of the financial period for all contracts in	4,751.36	4,730.42
iv) Contract Advances outstanding as at the end of the financial period	-	-
v) Retention amount due from customers as at the end of the financial period	-	-
vi) Gross Amount due from Customers for contract work	-	-
vii) Gross Amount due to customers for contract work	-	-
	For year ended March 31, 2018	For year ended March 31, 2017
19 Other income		
Interest on income tax refund	-	1.32
Others	0.21	0.75
Amortisation of grant	390.19	342.27
Total	390.40	344.34
	For year ended March 31, 2018	For year ended March 31, 2017
20 Direct Cost		
Tolling Expenses	146.01	148.36
Maintenance Expenses	425.18	99.66
Provision for periodic maintenance	890.00	243.23
EPC Cost	20.94	162.70
Total	1,482.13	653.95
	For year ended March 31, 2018	For year ended March 31, 2017
21 Employee Benefit Expenses		
Salaries, wages and bonus	68.41	55.88
Gratuity expense	0.85	0.85
Staff Welfare Expenses	0.05	-
Total	69.30	56.73
	For year ended March 31, 2018	For year ended March 31, 2017
22 Finance cost		
Interest Paid On :		
Bank Loans	9,785.67	8,867.83
Other finance costs	123.90	43.64
Upfront fees amortisation	27.51	19.38
Guarantee Expenses	323.64	324.29
Total	10,260.72	9,255.14
	For year ended March 31, 2018	For year ended March 31, 2017
23 Other expenses		
Professional fees	96.84	60.17
Stamping & Franking Charges	-	-
Insurance charges	21.88	27.45
Motor car expenses	9.82	10.39
Travelling expenses	4.61	4.39
Miscellaneous expenses	29.35	39.10
Provision for APRDC Claims	87.00	-
Payment to auditors (Refer note below)	2.23	1.52
Annual custodian fees	0.75	0.75
Total	252.47	143.77
	For year ended March 31, 2018	For year ended March 31, 2017
a) Payment to auditors		
Statutory Audit fee	2.06	1.00
Certification fees	0.17	0.50
Reimbursement of expenses	-	0.02
Total payments to auditors	2.23	1.52

A

24 Earnings Per Share ('EPS'):

Net Profit / (loss) attributable to equity shareholders and the weighted number of shares outstanding for basic and diluted earnings per share are as summarised below:

	For year ended March 31, 2018	For year ended March 31, 2017
Net Profit / (Loss) as per Statement of Profit and Loss	(7,907.63)	(6,470.22)
Outstanding equity shares at period end	20,39,58,900	20,39,58,900
Weighted average Number of Shares outstanding during the period – Basic	20,39,58,900	20,39,58,900
Weighted average Number of Shares outstanding during the period - Diluted	20,39,58,900	20,39,58,900
Nominal value of equity shares (Rs. per share)	10	10
Earnings per Share - Basic (Rs.)	(3.88)	(3.17)
Earnings per Share - Diluted (Rs.)	(3.88)	(3.17)

25 There are no contingent liabilities as at March 31, 2018 and March 31, 2017

26 There are no capital commitment as at March 31, 2018 (March 31, 2017 : Nil)

27 Disclosure in accordance with Ind AS – 17 “Leases”, of the Companies (Indian Accounting Standards) Rules, 2015.

The Company has taken office premises on lease and license basis which are cancellable contracts.
Company has taken office premises on lease for which charge to P & L is Rs 1.61 lacs

28 Segment reporting:

The Company's operations comprise only a single business and geographical segment, namely the operation of the bridge project on a BOT basis at Andhra Pradesh in India as per Indian Accounting Standard (IND AS) 108 "Operating Segments" and hence no disclosures are required.

29 Related party transactions

a) Related parties where control exists :

- Gammon India Limited - ultimate holding company (upto September 7, 2017)
- Gammon Infrastructure Projects Limited - holding company

b) Fellow subsidiaries :

- Sidhi Singrauli Road Project Limited
- Vijayawada Gundugolanu Road Project Private Limited

c) Key Managerial Personnel

- Kaushik Chaudhuri
- Renuka Shitut (upto 2-1-2018)
- Sanjay Chaudhary from (27-4-2017)
- Ramana murthy (upto 10-4-2017)
- Poonam Sabnis (from 2-1-2018)

Transactions	Ultimate Holding	Holding Company	Fellow Subsidiary
Expenses incurred on behalf of the Company:			
Gammon Infrastructure Projects Limited		33.89 (61.39)	
Gammon Infrastructure Projects Limited Paid		54.66 (70.96)	
Vijayawada Gundugolanu Road Project Private Limited			0.00 (0.54)
Sidhi Singrauli Road Projects Limited			2.40 (2.70)
EPC services provided by:			
Gammon India Limited	-	(1,442.42)	
Payments / adjustments made against EPC			
Gammon India Limited	-	(1,122.47)	
Outstanding balances payable :			
Gammon Infrastructure Projects Limited		308.74 (329.46)	
Vijayawada Gundugolanu Road Project Private Limited			5.92 (5.88)
Sidhi Singrauli Road Projects Limited			5.10 (2.70)
Balances receivable :			
Gammon India Limited	-	(1,145.89)	

(Previous period's figure in brackets)

4

The actual toll collections of the tolling bridge project at Rajahmundry Godavari Bridge across river Godavari are significantly lower than the forecasted revenue at the time of bid, resulting in inadequate cash flow to meet the debt / interest servicing obligations of the Lenders. Consequently, the debt facility has been classified as a Non-Performing Asset (NPA) by the Lenders. The Company had earlier submitted a proposal under the Scheme for Sustainable Structuring of Stressed Assets (S4A) to the Lenders, which was cleared by the Lenders for approval of the Overseeing Committee (OC) set up by the Indian Banking Association (IBA), in consultation with the Reserve Bank of India (RBI). The Company provided its response to the observations of the Lenders and the OC on the S4A proposal and was awaiting the OC/lenders' approval. In the interim, RBI vide its circular dated 12th February 2018, discontinued with immediate effect all restructuring schemes for stressed assets (including S4A). As per this circular, all schemes, including S4A which have been invoked but not implemented, shall be governed by the new circular. Thus the restructuring proposal proposed by the Company is no longer being pursued by the Lenders.

Subsequently the Company has issued a cure period notice to Andhra Pradesh Road Development Corporation (APRDC or the Client) on 26th February 2018 under clause 37.2.1 of the Concession Agreement to cure the breaches of APRDC which includes provision of Revenue shortfall loan along with other mentioned breaches. In the event that the client is unable to correct the breaches in the project, the management would need to decide on the ability to continue or terminate the agreement. Management discussion is currently underway with APRDC. The Company is hopeful that the breaches would be cured by the Client and the Company would be able to continue to operate the Project. The Management estimates the revenue from the project would meet the levels as forecasted post cure of defaults and thus would make the project viable. In addition, the management also estimates reduction of the operating & finance costs. In the event of termination, the Company is confident of recovery of compensation / Payment of outstanding dues to Lenders from the client in terms of the Concession Agreement.

Pending disposal of the matter by APRDC, there exists material uncertainty with respect to the future of the Project and that cast significant doubt on the Company's ability to continue as a going concern. However, based on the on-going discussions with the client, the Company is hopeful that breaches would be cured and the Company will continue to operate the Project. The Management is also of the opinion that the Project will be viable post cure of defaults and on optimising the operating and finance costs and improved traffic / revenue due to major infrastructure development proposed by the State Government around the Project route.

Considering the foregoing, the financial statements for the year ended 31st March 2018 have been prepared on a going concern basis. In making this assessment, the Management has conducted a comprehensive review of the entity's affairs including, but not limited to:

- The current year's operations of the Project, the entity's financial position for the financial year ended 31st March 2018;
- Significant events and developments that have taken place during the financial year ended 31st March 2018 and immediately succeeding the reporting period;
- The cash flow forecast for the entity for the financial year ending 31st March 2019 and beyond;
- Revenue and profitability forecasts for the entity for not only the next financial year, but beyond 31st March 2019; and

31 Financial risk factors

i) Business / Market Risk

Business/ Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. One of the first and foremost business risk is the achievement of the traffic projections made at the time of the bid. This will include the introduction of alternate roads by the state or central government which impacts the traffic projected to ply on the asset under the control of the Company. The concession agreement provides some safeguards in this regard but many of them are unforeseen and exposes the Company to risk.

ii) Capital and Interest rate Risk

Infrastructure projects are typically capital intensive and require high levels of long-term debt financing. These factors include: timing and internal accruals generation; timing and size of the projects awarded; credit availability from banks and financial institutions; the success of its current infrastructure development projects. Besides, there are also several other factors outside its control. The Company's average cost of debt remains at 11.60% p.a. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short term borrowing with floating interest rates.

iii) Interest rate sensitivity

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

Particulars	Increase/ Decrease in basis points	Effects on Profit before tax.
March 31, 2018	Plus 100 basis point	(820.67)
	Minus 100 basis points	820.67
March 31, 2017	Plus 100 basis point	(771.10)
	Minus 100 basis points	771.10

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

iv) Credit risk

Company is into tolling business and hence there are no trade receivables. Company has outstanding advance to contractors amounting to Rs 1145.89 lacs. (PY Rs 1145.89 lacs.)

(v) Liquidity risk

The company's principal sources of liquidity are cash and bank balances and the cash flow that is generated from operations.

The company has outstanding borrowings of Rs 649,29 lacs as at March 31, 2018 and Rs 649,29 lacs as at March 31, 2017.

The companies' working capital is not sufficient to meet its current requirements. Accordingly, liquidity risk is perceived. The Current Liabilities of the Company exceeds current Assets by Rs 12522.40 lacs as at March 31, 2018 and Rs 6332.19 lacs as at March 31, 2017. These conditions indicate the existence of an uncertainty as to timing and realization of cash flow of the company.

The achievement of the projections in the traffic and the toll rates is critical for the liquidity to pay the lenders.

Timely completion of the project had a major impact on the liquidity of the SPV. The delay caused due to the grantor and the timely receipt of compensation from the grantor impacts liquidity of the SPV and the holding company materially and is one of the major reasons for the liquidity issue.

The Working Capital Position of the Company is given below:

	March 31, 2018	March 31, 2017
Cash and Cash Equivalent	668.09	534.65
Total	668.09	534.65

Note: As per agreement with bankers, toll collected by the Company will be appropriated by bankers towards their dues and will provide a part of toll amount towards maintenance and day to day running of the project.

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

	Less than 1 year	2-5 years	More than 5 years	Total
As at March 31, 2018				
Borrowings	1,235.00	10,129.00	53,565.00	64,929.00
Trade Payables	75.56	-	-	75.56
Other Financial Liabilities	12,466.85	-	-	12,466.85
Other Non Current Liabilities	-	-	-	-
Total	13,777.41	10,129.00	53,565.00	77,471.41
As at March 31, 2017				
Borrowings	261.00	6,720.00	57,948.00	64,929.00
Trade Payables	50.73	-	-	50.73
Other Financial Liabilities	7,324.55	-	-	7,324.55
Other Current Liabilities	-	-	-	-
Total	7,636.29	6,720.00	57,948.00	72,304.29

vi **Input cost risk**

Raw materials, such as bitumen, stone aggregates cement and steel, need to be supplied continuously to complete projects. As mentioned in the earlier paragraph of the business risk and the competition risk the input cost is a major risk to attend to ensure that the Company is able to contain the project cost within the estimate projected to the lenders and the regulators. To mitigate this the Company sub-contracts the construction of the facility at a fixed price contract to various subcontractor.

vii **Exchange risk**

Since the operations of the Company are within the country the Company is not exposed to any exchange risk directly. The Company also does not take any foreign currency borrowings to fund its project and therefore the exposure directly to exchange rate changes is minimal. However there are indirect effects on account of exchange risk changes, as the price of bitumen, which is a by-product of the crude, is dependent upon the landed price of crude in the country.

viii **Price risk**

Company has agreed prices of toll pre determined with Government and they are linked to WPI and hence Company does not see any risk of price fluctuations impacting it.

ix **Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium 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.

Particulars	March 31, 2018	March 31, 2017
Borrowings	64,929.00	64,929.00
Trade Payable	75.56	50.73
Other Payable	13,704.88	7,589.93
Less:		
Cash and Cash Equivalent	(668.09)	(534.65)
Net debt	78,041.35	72,035.02
Total Equity	9,194.04	17,101.48
Gearing ratio	8.49	4.21

32 There are no derivative instruments outstanding as at March 31, 2018 and March 31, 2017. The Company has no foreign currency exposure towards liability outstanding as at March 31, 2018 and March 31, 2017.

33 In the opinion of the Board of Directors, all assets other than fixed assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

34 **Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :**

Particulars	Amount	Amount
Profit from continuing operations before income tax expense		(7,907.63)
Tax at the Indian tax rate of 30%		(2,688.59)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income :		
(i) Depreciation impact	(13,840.83)	
(ii) Disallowed under income tax	4,053.06	
		(9,787.76)
Brought forward loss	12,693.26	
Exempt from tax	-	
Income tax expense		12,693.26

4

35 The carrying value and fair value of financial instruments by categories as at March 31, 2018 and March 31, 2017 is as follows:

	Carrying value		Fair Value	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
a) Financial assets				
Amortised Cost				
Others	9.43	10.24	9.43	10.24
Cash and cash equivalents	668.09	534.65	668.09	534.65
Total Financial Assets	677.52	544.89	677.52	544.89
b) Financial liabilities				
Amortised Cost				
Borrowings	63,694.00	64,668.00	63,694.00	64,668.00
Trade payables	75.56	50.73	75.56	50.73
Others	13,701.85	7,585.55	13,701.85	7,585.55
Total Financial Liabilities	77,471.41	72,304.29	77,471.41	72,304.29

The carrying amount of financial assets and liabilities measured at amortised cost are considered to be the same as their fair value

36 Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

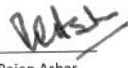
- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant

37 Previous years figures are regrouped reclassified as required.

As per our report of even date


For G.M. Kapadia & Co.
Chartered Accountants
Firm Registration No. : 104767W


Rajen Ashar
Partner
Membership No. : 48243



Place: Mumbai
Date : 9th June 2018

For and behalf of the Board of Directors of
Rajahmundry Godavari Bridge Limited


Sanjay Chaudhary
DIN : 07225453


Poonam Sabnis
DIN : 7706230